STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 19-0855-RULE	
Proposed revisions to Vermont Public Utility Commission Rule 5.100	

VERMONT DEPARTMENT OF PUBLIC SERVICE COMMENTS ON REGARDING RULE 5.100 APPLICATION AND REVIEW PROCESSES

On August 24, 2021, the Vermont Public Utility Commission ("Commission") held a workshop to discuss potential changes to Commission Rule 5.100, the Net-Metering Rule, intended to address issues related to the process and review of net-metering applications. The Vermont Department of Public Service ("Department") submits the following comments concerning the August 24, 2021, workshop.

During the workshop on August 24, 2021, there was a discussion, led by the Department, regarding the discrepancies in the timelines between Rules 5.100 and 5.500 (tr. at 61-77). The high-level point the Department was trying to make was that some of the interconnection timelines in Rule 5.100 appear to ignore the timelines for studies specified in Rule 5.500. For example, a 500 kW roof-mounted photovoltaic system would typically require a Feasibility Study or a System Impact Study (for which Rule 5.500 allows up to 119 days and 161 days, respectively). Conversely, Rule 5.105(E) states: "If the electric company believes that the interconnection of the net-metering system raises concerns, the electric company must convey these concerns in writing to the applicant and the Commission within [31 days]. The electric company's filing must include a recommendation as to how the interconnection issues could be resolved by the applicant." Thereby, Rule 5.100

essentially requires that the interconnection studies be completed within 31 days (in order to include a recommendation as to how the interconnection issues could be resolved) when Rule 5.500 allows much longer for these same studies (and Rule 5.131 specifies that: "The interconnection of all net-metering systems is governed by Commission Rule 5.500."). If a utility is unable to complete the system study within 31 days, it has the option to file an "an objection to the interconnection" within 31 days and then "the applicant may not commence construction of the project until the interconnection issues have been resolved." Having to file an objection in one PUC process in order to work within another PUC process is not an efficient use of resources.

The solar developers at the workshop indicated that, from their perspective, the interconnection process seemed to be going well, notwithstanding the administrative discrepancies between the two rules. None of the electric utilities at the workshop provided comments on this topic. Nevertheless, the inconsistencies between Rule 5.100 and the timeframe for the technical assessment and identification of interconnection issues occasionally results in interconnection disputes that arise outside, and in some instances, after, the certificate of public good ("CPG") application process. Many of these disputes are brought to the Department's attention, but not the Commission's. This issue predominantly happens in the context of Rule 5.105 or Rule 5.106 registrations and applications.

During the presentation, the Department mentioned two possible solutions, and Commission staff mentioned a third possible solution might be to deem 248(b)(3) satisfied given that the Rule 5.500 process is going to be followed. The Department recommends that the Commission does not adopt the third approach raised at the workshop, because it would effectively hold that 30 V.S.A. § 248(b)(3) system stability and reliability concerns are addressed based on the presumption that interconnection issues would be consistently resolved after the issuance of a CPG. This approach could create issues, in instances when interconnection concerns are found after the CPG is deemed effective, outside the scope of the CPG's conditions, or if there is a dispute regarding how to appropriately resolve any interconnection concerns. Instead, the Department recommends that interconnection problems be addressed prior to the issuance of a CPG and not under the presumption that interconnection will be resolved as a condition subsequent to the CPG. Such technical issues are better resolved as much as possible in fact if an affirmative finding under 30 V.S.A. § 248(b)(3) is to be made.

The Department also notes that Rule 5.107(C)(10)(a) states: "For net-metering systems with a capacity greater than 150 kW, the applicant must file as part of the application a letter from the electric company stating that the proposed net-metering system may be safely interconnected with the company's distribution grid without having an adverse impact on system stability or reliability. The letter must also describe all improvements to the grid necessary to interconnect the net-metering system." The Department maintains that electrically-similar projects (e.g., 500 kW photovoltaic projects) should follow the same interconnection process and timelines, regardless of whether ground-mounted or roof-mounted, because they could have comparable grid impacts. At the workshop, the Department presented two options. The first option would require separate Rule 5.500 and Rule 5.100 application forms and encourage the interconnection inquiry to occur earlier in the CPG application timeline, to allow for thorough review of potential technical issues surrounding stable and reliable interconnection. The second option would allow for interconnection via the same application form for both rules but would include consideration of the necessary technical inputs and the time needed to evaluate them. If appropriately implemented, either option could ensure stable and reliable interconnection with sufficient time and notice.

As such, the Department does not, currently, have a preference for the specific path forward, but does have a general preference that the two rules work together seamlessly and don't appear to contradict each other. It is important for all stakeholders to be able to ensure that any interconnection issues are clearly identified and addressed by the time a CPG is approved. As it stands, this does not always happen. For next steps on this topic, the Department suggests that stakeholders work together, preferably by comments in this proceeding, to determine which path forward to take, and then, once determined, to craft language for Rule 5.100 to effect this change.

The Department looks forward to further discussion of this concept as the

Commission's rulemaking proceeding unfolds. Thank you for the opportunity to comment regarding this matter, please contact me with any questions or concerns.

Dated at Montpelier, Vermont, this 24th day of September 2021.

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cc: ePUC Service List