

CONNECTICUT DISTRIBUTED GENERATION POLICY WORKING GROUP

MEETING MINUTES

Tuesday, October 26, 2021

9:00 AM – 10:30 AM

**9:00 AM – 9:05 AM Introduction and Adoption of Meeting Minutes**

**Upgrade Cost Sharing/Rate Basing Discussion**

* The Green Bank is concerned that with the launch of the Battery Storage Program on Jan 1, 2022, that new customers are more likely to trigger distribution system upgrades, particularly in the AC configuration
* Andy Mayshar explained the upgrade cost caps and rate-basing policies of New York and California, respectively.
* Mike Farrell stated that for Trinity Solar, the average cost for a residential upgrade is $2,470
* The back and forth that takes place between developer, customer, and utility when an upgrade is needed adds a significant amount of time to the process. Eliminating this by rate-basing or some other mechanism would speed up the process
* Between four and 6 percent (4-6%) of ConEd’s projects require distribution system upgrades with costs on average ranging between $1,200 – $1,500.
* Per Eversource, a figure of $2,500 seems to be in line with residential upgrades that don’t require pole replacement
* The average CT system size has increased to 8.5kW, with homeowner-owned projects averaging between 9-10kW.
* Not all battery systems are configured for export; all Power Walls and Generac systems installed by ConEd are non-export
* The Connected Solutions program does not require batteries to export; however, the Green Bank found that there would be greater benefits (increased RIM score) if they exported
* Selya Price and David Ferrante had a discussion on whether the program would have a benefit to the distribution system as a whole.
	+ Selya noted that the primary benefit of the program is peak reduction through demand response
	+ David stated that the added stress on the distribution system is likely to be greater than the benefit gained; the solar plus storage installations are more likely to require new service wire, additional or replacement transformers, or a new pole.
* The transformer cost itself is rate-based, the customer pays only for associated labor
* Trinity Solar provided an update on their upgrade costs to-date in 2021:
	+ Approximately 2% of jobs required distribution system upgrades
	+ The average system size was 12.42kW
	+ The average cost for upgrades has been about $1,200
* Discussion of alternative ways to social upgrade costs, such as collecting a fee from all new applicants
	+ Assuming an average upgrade cost of $2,500 and 4% of projects requiring upgrades, the additional per applicant cost would be about $100
	+ Developers on the call would not have an issue with that amount of added cost
	+ There could be some incremental cost savings for the EDCs if process became more efficient
	+ Question remains on how excess costs could be covered, although annual tracking of upgrade costs could help with setting appropriate fees
* PURA has requested tariff program administrators to track upgrade costs
* Mike Farrell raised the issue of certain projects struggling to get job numbers and asked if they could be provided at the time the application is submitted. Many towns require the developer to provide a job number in order to get a building permit.
	+ The EDCs will take this issue back to their internal teams to review.

Follow up item(s)

* Discuss whether there is potential for an application process where customer can install solar prior to interconnecting storage but eliminate need for second application, or create a streamlined application for when storage would be added