

GOVERNMENT OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU

COMISIÓN DE ENERGÍA DE PUERTO RICO	
Recibido por:	<i>[Signature]</i>
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IN RE: Interconnection Regulations

CASE NO.: NEPR-MI-2019-0009

SUBJECT: Stakeholder's Workshop

To the Honorable Energy Bureau:

Comes now Sunrun, to submit post-workshop comments regarding the above captioned matter.

Introduction

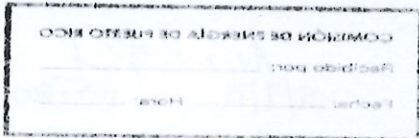
Sunrun is the leading residential solar, storage, and distributed energy services company in the United States with more than 230,000 customers in 22 states, the District of Columbia and the Commonwealth of Puerto Rico.

This Honorable Energy Bureau (hereinafter "PREB") has held two very productive Stakeholders Workshops, on June 7th and June 21st on new "PREPA Interconnection Regulations". Pursuant to Act 17-2019, PREB has the responsibility of regulating the process for the adoption of new interconnection regulations that are properly aligned with public policy and provide the most efficient mechanisms for the timely integration of distributed generators to the electric grid.

PREPA has been moving in the right direction, as current leadership has displayed willingness to correct course and engage in good faith with our solar and storage industry. This is a very positive thing. However, in order to achieve sustainable, predictable, stable compliance with Act 17's legislated mandatory norms, PREB's strict and firm exercise of its ample quasi-legislative and quasi-judicial powers is and will be fundamental.

Sunrun congratulates PREB for this historical undertaking which demonstrates PREB's clear will and leadership to guarantee that Puerto Rico statutory policy, as embodied in Act 17, 2019 and other statutes, is faithfully carried out and implemented, without delay.

Sunrun is proud and grateful to be allowed to be heard and to contribute in these critical efforts.



Comments

Over the past decade, while the cost of PV modules and other hardware has declined, non-hardware 'soft' costs have remained relatively constant. The direct and indirect costs of permitting, inspection and interconnection, including efforts spent acquiring customers who cancel before a permit is issued, can add about \$1 per watt, or \$7,000, to the cost of a typical residential system in the United States.¹ PREB's leadership in implementing streamlined, predictable interconnection/NEM procedures is critical to conquering these soft cost challenges, reducing administrative burdens and getting customers to achieve energy resiliency via solar+storage today.

Accelerated deployment of solar and storage is the law in Puerto Rico, as per Act 17 of 2019. Puerto Rico can be proud that its pro-renewables policy, as legislated, is among the most advanced in the nation and the world. What is really needed is strict compliance by PREPA of Act 17's mandates, mainly via strong PREB enforcement. This was thoroughly discussed in the stakeholder's meetings.

Automatic interconnection and fast net metering (NEM) for >25KW systems in Puerto Rico should not be difficult to achieve and it is the law as per Act 17. The only requirement is that a duly and legally qualified professional self-certifies and notifies to PREPA the installation of a system. No PREPA action is needed for interconnection.

Below find some key takeaways from the workshops that must be emphasized and clearly spelled out by PREB in any future Regulation. Correct Act 17 implementing regulation is PREB's, not the utility's role. In order for PREPA to avoid substantial fines, achieve Act 17 compliance, PREB should ensure that:

- PREPA *a priori* inspections for >25KW systems must halt to ensure automatic interconnection and 30 day NEM activation. A number of these inspections can be supplanted by *post hoc* audits.
- NEM activation will not require any application nor signed contract and must be activated by default, as per Act 17, always within 30 days of system install. Perhaps a notification to PREB could be as useful substitute or complement. When physical documents have to go back and forth between clients and PREPA commercial offices for actual signatures NEM has been unacceptably delayed by around 200 days

¹ <https://www.seia.org/news/new-solar-permit-software-reduce-costs-and-expand-residential-markets>

- All new NEM clients shall be understood to be protected and grandfathered from NEM tariff/rate changes for at least 20 years, in all cases and with equal statutory/constitutional protections as those who have actual, signed NEM contracts.
- PREB should exercise constant, *sua sponte* and *motu proprio* oversight over PREPA and/or the successor entity, including monthly public, online-available, reporting obligations by PREPA on Act 17 compliance, including automatic interconnection and NEM numbers. PREB should apply automatic daily fines when utility fails to comply with clear Act 17 statutory interconnection/NEM norms.
- PREPA Portal must not be a hindrance to automatic interconnection/30 day NEM of >25KW systems. In fact, in these smaller systems, Portal should be seen as a tracking tool, not as a “permitting” platform, as Act 17 does not require permits for these smaller systems.
- Important to note that Act 17 mandates that “feeder capacity” issues shall not constitute obstacles for the interconnection of >25KW systems. Any such issues are in any case unlikely given extremely low current DG penetration in Puerto Rico and the fact that from the stakeholder workshops it seemed clear that only 2 PREPA feeders out of 1,300 had any actual issues. However, if PREB were to confirm that an actual “feeder capacity” issue was a true technical obstacle to a specific interconnection, then PREB can, under Act 17 devise a fair method for a company (or companies) to help fund truly necessary improvements and/or changes.

Again, our thanks to PREB for this valuable opportunity to comment.


Respectfully submitted,

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