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Sent: Friday, July 30, 2021 4:43 PM
To: Comentarios <comentarios@jrsp.pr.gov>
Subject: Comments on interconnection regulations

**GOVERNMENT OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD**

PUERTO RICO ENERGY BUREAU

IN RE: INTERCONNECTION REGULATION

CASE NO. NEPR-MI-2019-0009 and
CEPR-MI-2018-0008

SUBJECT: IEEFA COMMENTS ON
PROPOSED REGULATION

**Institute for Energy Economics and Financial Analysis (IEEFA) Comments on
Proposed Interconnection Regulation**

**HONORABLE CHAIRMAN AVILES AND COMMISSIONERS OF THE PUERTO RICO
ENERGY BUREAU:**

IEEFA appreciates the opportunity to comment on the Bureau's proposed interconnection regulation. The regulation provides a clear process for interconnection and includes a robust net metering program. IEEFA offers the following comments and suggestions:

1. **Definition of Nameplate Capacity:** Currently the regulation defines Nameplate Rating as "the sum of the maximum rated output of all generators, prime movers, Energy Storage systems, or other electric power production equipment ..." (Sec. 1.09). IEEFA recommends removing energy storage from this definition because storage is not power production. That is, a 4kW solar system should be considered to have a nameplate rating of 4kW, regardless of whether or not the system includes battery back-up.
2. **Cost of Distribution Upgrades:** Under the proposed rule, the cost of Distribution Upgrades required to accommodate a proposed interconnection are the responsibility of the applicant (Section 5.11A). As Puerto Rico seeks to rapidly expand the use of distributed generation, both to meet the island's renewable energy goals and to achieve a more resilient power supply, the distribution system will need to be upgraded in order to integrate increasing quantities of distributed resources. Thus, these distribution upgrade costs should be recognized as providing a social benefit needed to meet the island's energy goals. We recommend that the costs of upgrades associated with the integration of small-scale distributed generation projects (i.e.

those connecting under the Simplified or Fast Track process) be spread across all ratepayers, rather than burdening particular interconnection applicants. In other words, the homeowner who applies for interconnection of a rooftop solar system on a circuit that is about to reach its hosting capacity should not be required to pay the cost of upgrading that circuit to the benefit of all future distributed generation customers on that circuit. We note that in California, for example, net metering customers below 1 MW are not required to pay for distribution or transmission network upgrades.¹

3. Transparency: IEEFA suggests that once a Pre-Application Report is conducted for a particular substation/area bus, bank or circuit, that this report be made part of a publicly available database (with any customer-specific information removed). This would allow other contractors and potential distributed generation customers to be able to see if a hosting capacity analysis has been recently conducted for any circuit that they may be interested in, and potentially reduce the burden on the EPS Operator to produce multiple reports for the same circuit around the same period of time.

Thank you again for the opportunity to provide comments on the proposed regulation.

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¹ See, for example, PG&E's interconnection tariff at p. 62:
https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_RULES_21.pdf