

July 26, 2021

VIA EMAIL

Department of Energy and Environmental Protection
Deep.Steps@ct.gov

Re: SCEF Bid Preference Written Comments

We respectfully submit the attached Comments in response to the Department of Energy and Environmental Protection's July 8, 2021 notice of opportunity for public comment.

Please do not hesitate to contact me if you have any questions.

Sincerely,

s/ *Ross Abbey*

Ross Abbey
United States Solar Corporation

Comments

1. Discuss and provide support for any bid preferences that DEEP should consider for the Year 3 Procurement, and/or subsequent procurement years.

We interpret this question as regarding any proposed *new* bid preference types, apart from the existing bid preference for SCEFs sited on landfills or brownfields (as discussed in topic 2, below) and apart from a potential bid preference for SCEFs sited in distressed municipalities or environmental justice communities (as discussed in topic 5, below). US Solar attended the July 20 stakeholder workshop, where stakeholders raised the topic of two potential new preference and/or incentive categories: one for canopy siting on parking lots, and one for “resiliency” services. For that reason, we will address those two project categories here.

In terms of a potential bid preference for siting SCEFs on canopies, we agree with other stakeholders at the July 20 workshop that such projects carry a significantly higher EPC (engineering, procurement, and construction) cost than ground-mounted solar projects, and would only win the SCEF solicitation if they were granted a correspondingly high bid preference. Apart from being more expensive, canopy- and roof-mounted solar projects also tend to be smaller and generate less energy (*i.e.*, fewer subscriber bill credits) for a given nameplate capacity than ground-mounted systems with a single-axis tracking system, making it hard to justify a bid preference that would be large enough to result in actual canopy-mounted SCEF being awarded and built.

In terms of providing any sort of bid preference for SCEF applications that make a long-term pre-commitment to providing “resiliency” services, we would caution DEEP to avoid adopting a new bid preference that could unintentionally undermine the primary goal of the SCEF program – namely encouraging the cost-effective development of community-scale clean energy projects that directly benefit members of the community through on-utility-bill credits. For that reason, DEEP should avoid the temptation to adopt any “resiliency” bid preferences that would increase program-level complexity or project-level cost, complexity, or risk.

If there were to be a SCEF bid preference or incentive for resiliency, it should only apply to SCEF applications that can cover peak demand periods and integrate renewable resources.

2. Should a bid preference for projects located on brownfields or landfills continue to be applied for Year 3? If yes, explain why and at what weighting value. If no, explain why not.

Yes, DEEP should maintain the SCEF bid preference for landfill/brownfield-sited projects for Program Year 3, and increase the preference amount if no landfill/brownfield-sited SCEF projects are awarded in Program Year 2 (*i.e.*, if the PY 2 bid preference proves too low to result in any landfill/brownfield awards in PY 2).

3. How should DEEP acquire cost information for project development while maintaining the competitiveness of the procurement? For example, what is the price premium on land, development and other project costs for developing on a brownfield and/or landfill? Similarly, what is the price premium for other recommended qualitative preferences?

We estimate that SCEF site development costs for a landfill are approximately double when compared to a greenfield, and have communicated this same information directly to DEEP.

- 4. For each bid preference identified in response to Question 1 and/or 2, what clear standards, terms, parameters, or metrics should be used to evaluate whether a project qualifies for the bid preference?**

For the landfill and brownfield preferences, DEEP should clarify that slope restrictions only apply to the portion of the landfill / brownfield where panels will be installed, and clarify that areas of the landfill outside the solar-panel footprint may have a slope of greater than 15 percent. Otherwise, DEEP may unintentionally prohibit solar siting on capped landfills that have an engineered perimeter slope of greater than 15 percent outside the solar-panel footprint.

As discussed above regarding grid resiliency, SCEFs do have a potential role to play in this area, but the mechanism of an upfront bid preference does not seem like the best approach. Instead, DEEP should recommend a time-of-day compensation rate that would effectively act as a performance incentive for new SCEF projects that actually deliver more clean energy to the local distribution grid during times of peak demand.

- 5. Discuss and provide support for a bid preference for projects located in and benefitting distressed municipalities and/or environmental justice communities. What are those potential benefits and how should they be quantified? What are the potential drawbacks and/or concerns with siting projects in distressed municipalities and/or environmental justice communities? What metrics should DEEP use to evaluate whether a project located in a distressed municipality and/or environmental justice community qualifies for a bid preference? How should distressed municipalities and/or environmental justice communities be identified for qualification purposes under the Request for SCEF Proposals (RFP) for the Year 3 Procurement?**

Although US Solar is open to learning more about this idea, we're not sure why a new bid preference would be needed to attract SCEF development to the lower-cost land that would presumably be available in economically distressed areas – unless there is something about the areas that makes development more risky and/or expensive, as is the case for brownfields and landfills. To the extent that economically distressed areas have more brownfields, the brownfield adder itself should suffice to encourage project siting.

- 6. Relative to Question 5, how can DEEP and the Authority ensure such a community or municipality: (a) is willing to host a proposed project; and (b) has adequate opportunity to provide feedback about the proposed project?**

As long as the SCEF is truly a clean-energy project, such a solar (or solar plus storage) project, it is not clear why the process for proving SCEF site control and securing a land-use permit would be any different than for the same type of SCEF sited in a non-economically-distressed community.

- 7. Recognizing Conn. Gen. Stat. § 22a-20a does not apply to SCEF, is there anything in the statute that could be adapted to provide a bid preference in SCEF, such as a**

Community Environmental Benefit Agreement (CEBA)? If yes, what clear standards, terms, parameters, or metrics should be used to evaluate whether a project qualifies for such a bid preference?

Although US Solar is open to learning more about this idea, our initial concern is that a CEBA bid preference could increase program-level complexity and/or project-level cost, complexity, and risk – thereby undermining the primary goal of the SCEF program to encourage the cost-effective development of community-scale clean energy projects that directly benefit members of the community through on-utility-bill credits.

- 8. How does a resiliency bid preference comport with the legislative intent of §16-244z of the General Statutes of Connecticut? How do such resilience projects comport with the Modified Program Requirements relative to SCEF subscriber credits?**

We have no input on this topic at the present time.

- 9. Should a bid preference for resilient projects, e.g., microgrids, mobile projects, be applied for Year 3? If yes, explain why and at what standard and weighting value. If no, explain why not.**

See our response to topic 1, above. If there were to be a SCEF bid preference or incentive for resiliency, it should treat solar plus energy storage as an eligible SCEF technology, and only apply to SCEF applications that can cover peak demand periods and integrate renewable resources.

- 10. What other information not provided in response to any of the above questions would be useful in establishing bid preferences for the Program or increasing the benefits of the Program to environmental justice communities?**

We have no input on this topic at the present time.

Sincerely,

s/ Ross Abbey

Ross Abbey

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