

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 24-E-0415 - In the Matter of Timely Interconnection of
Distributed Energy Resources.

NOTICE SOLICITING COMMENTS

(Issued December 5, 2024)

PLEASE TAKE NOTICE that any interested person or entity is invited to submit comments responding to the questions attached to this Notice. The attached questions, prepared by Department of Public Service staff, are related to the ongoing review in this proceeding of the cause and extent of any delays to interconnecting distributed energy resources (DERs), metrics related to timely interconnection, and potential revenue adjustments associated with such metrics.¹ Comments responding to these questions are requested **by February 3, 2025**, and may be filed as follows: please go to www.dps.ny.gov, click on "File Search" (located under the heading "Commission Files"), enter "24-E-0415" in the "Search by Case Number" field, and then click on the "Post Comments" box located at the top of the page. Those unable to file electronically may mail their comments to the Hon. Michelle L. Phillips, Secretary, New York State Public Service Commission, Three Empire State Plaza, Albany, New York, 12223-1350.

(SIGNED)

MICHELLE L. PHILLIPS
Secretary

¹ For additional background, please refer to the Notice Soliciting Comments, issued on July 16, 2024, in this proceeding.

ATTACHMENT

Please respond **by February 3, 2025**, to the following questions, prepared by Department of Public Service staff:

1. For each utility, what team, office, department, or division is responsible for preparing the cost estimates that are provided to DER developers in the interconnection process outlined in the Standardized Interconnection Requirements (SIRs) (Estimating Office)? Please note that the current New York State SIRs and Application Process for New Distributed Generators and/or Energy Storage Systems 5 MW or Less Connected in Parallel with Utility Distribution Systems are available on the Distributed Generation webpage of the Department of Public Service:
<https://dps.ny.gov/distributed-generation-information>.
2. For each utility, describe the procedures and methods the Estimating Office currently follows to develop those cost estimates. Provide a copy of any written procedures or guidance utilized by the Estimating Office in carrying out this function.
3. For each utility, identify the data sources currently used by the Estimating Office to develop DER interconnection cost estimates.
4. For each utility, have those cost estimating procedures, methodology, or data sources changed over the last five years? If so, how were they changed and why were they changed?

5. For each utility, what cost estimating methodology and procedures does the company use when estimating the costs of distribution system upgrades that are needed for reasons not driven by specific DER interconnection applications?
6. For each utility, do your cost estimating procedures include an overhead calculation? If so, how is the overhead calculated and applied?
7. If the procedures and methods identified in the response to Question 5 are not the same as those used by the Estimating Office to prepare estimates under the SIRs, identify and explain the differences.
8. For each utility, does the Estimating Office apply the 15% contingency authorized by the SIRs to its cost estimates or any lesser contingency? If the company applies a lesser contingency, what is the % contingency and how does the company determine the contingency applied?
9. If the company applies a contingency to interconnection cost estimates, has the company ever assessed how often the actual costs of interconnection upgrades exceed that contingency? If the company has conducted such an assessment, provide the results of the inquiry.
10. For each utility, over the last five years, has the company compared the cost estimates provided to DER developers with the actual costs incurred by the company for the same or similar upgrades constructed during the company's capital program? If so, provide the results of that comparison.

11. For each utility, have there been increases in the costs of the labor and equipment needed to construct DER-related interconnection upgrades over the last five years? If so, what are the main drivers of those cost increases? In your response, identify the specific categories of costs that have experienced cost increases (materials, labor, overhead, and other).
12. For each utility, are there cost control systems and practices in place to ensure that distribution system upgrades are completed within estimated times and budgets? If so, provide a detailed description of those controls.
13. For each utility, provide a comparison of the labor costs of distribution system upgrades performed by utility employees to that of work performed by contractors in the last three years. Provide a detailed description of how projects are assigned to either utility employees or contractors. Provide a list of the contractors used by each utility to complete the scopes of work that are typical for distribution system upgrades.
14. For each utility, when there are no significant changes in the scope of work necessary to complete a DER interconnection, does your company review or undertake any additional actions when the final interconnection upgrade costs are higher than the original estimates? If so, is there a cost overrun threshold (e.g., percentage overestimate) at which this review is triggered? Describe any such threshold, the review process, and how cost overrun information is utilized in connection with future interconnections.

15. What measures, tools, or steps are available to increase the accuracy of the cost estimates provided to DER developers?
16. Can improvements to the accuracy of the cost estimates be implemented in the procedural time frame allowed under the SIRs for performing a CESIR?
17. For each utility, with respect to all projects that required and completed a CESIR, for the period of September 1, 2019, through August 30, 2024, provide the start date for each CESIR, the CESIR delivery date, and indicate whether the CESIR was completed within the timeframe allowed by the SIRs.