

PUBLIC COMMENTS

Date/Time Sent: Nov 23 2020, 2:41PM

To: Brinda Westbrook-Sedgwick, Commission Secretary

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Company Name: Lantian Development / Spectrum Solar

What is your position regarding the issues identified in the procedural schedule for this case? Mixed



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November 23, 2020 Secretary Brinda Westbrook-Sedgwick Commission Secretary Public Service Commission of the District of Columbia 1325 G Street, N.W., Suite 800 Washington DC, 20005

Re: RM29-2020-02-M

Dear Ms. Westbrook-Sedgwick:

Lantian Development, LLC ("Lantian"), and its affiliates, Lantian Hills, LLC and Spectrum Solar, LLC ("Spectrum") appreciate the opportunity to submit their comments on the "Second Notice of Proposed Rulemaking" (the "Second Notice") issued by the Public Service Commission of the District of Columbia (the "Commission") in RM29 on October 23, 2020. Lantian is a real estate investment company focused on medium- to large-scale sustainable development within the Washington, DC metropolitan area. Lantian is currently in late-stage development of Spectrum's Solar Project, a 5.6 MW wholesale solar photovoltaic facility in the Oxon Hill area of Prince George's County, Maryland, less than 1,500 feet from the District's border along Southern Avenue.

As further explained below, Lantian is very concerned about the Commission's new proposed language in the Second Notice. Specifically, the Commission's proposal to prohibit solar energy systems not located in the District or in a location served by a distribution feeder serving the District from achieving RPS eligibility through a new service connection contravenes the clear language of DC Code § 34-1432(e)(1).

The statute allows solar facilities no larger than 15 MW in "locations served by a distribution feeder serving the District" to qualify for solar renewable energy credits. DC Code § 34-1432(e)(1). This language strikes a balance between allowing some solar from outside of the District without permitting a vast number of projects from far flung locations. The task before the Commission now is how to craft its regulations to best adhere to the plain language of the statute.

The proposed language in the First Notice made projects eligible by a connection to a distribution feeder serving the District achieved by a service connection or extension of the distribution system. The Second Notice has swung drastically in the other direction, only allowing projects outside of the District if the connection is via an existing



PUBLIC COMMENTS

connection (i.e., a building that is already connected to the feeder serving the District). Under this proposed standard only behind the meter could be eligible; new greenfield projects, with direct and immediate access to an existing feeder already in place, would be considered ineligible.

Lantian suggests that the best interpretation of the DGAA is one that requires both proximity (a physical location where a feeder serving the District is located) and connectivity (where the facility is directly connected to the feeder serving the District). The proposed language for §2902.1(b) contradicts the statute by excluding locations served by a distribution feeder serving the District from eligibility. For many solar projects, including Spectrum's Solar Project, this is achieved by a new service connection to the existing adjacent distribution feeder already serving the District. When a new service connection is established to a distribution feeder serving the District, the connecting property is now served by a distribution feeder serving the District, satisfying the plain text of the statute.

If the City Council had intended to exclude projects from connecting to a distribution feeder serving the District through a service connection from eligibility, it could have done so. However, under the plain statutory language there is no basis for discriminating against projects connected to the District grid through a service connection. Further, the City Council explicitly allowed solar projects up to 15 MW to qualify, but the Commission's current proposal would effectively limit projects outside the District to just 2 MW and smaller, as those are the only solar projects that can be installed behind the meter at existing services in Maryland. Allowing service connections to an existing distribution feeder serving the District to qualify would allow projects up to 15 MW in size, consistent with the proposed language.

Given the above, Lantian urges the Commission to revise its final language to allow new service connections to distribution feeders serving the District while excluding extensions of the distribution system itself. Lantian proposes the following language:

"Solar Energy Systems that are not located within the District but in a location already served by a distribution feeder serving the District can connect to that existing distribution feeder through a new service connection and are eligible for certification to meet the solar portion of the Tier One requirement of the RPS after the new service connection to the distribution feeder serving the District has been made."

Lantian's approach reasonably limits eligibility as new service connections are naturally limited to locations served by existing feeder locations. Sites and properties located in front of or adjacent to distribution feeders serving the District can feasibly interconnect using a service connection, but projects located miles (or even just a city block) away cannot feasibly do so due to site control and cost constraints.



PUBLIC COMMENTS

Lantian submitted its first application for the Spectrum Solar Project entering a Generation Interconnection Feasibility Study Agreement with PJM Interconnection on March 14, 2018. Since then, Lantian has continued to invest significant resources into the development of the Spectrum Solar Project, including receiving a Certificate of Public Convenience and Necessity from the Maryland Public Service Commission on March 2, 2020. Lantian is now in the final stages of receiving ministerial permits from Prince George's County.

Under existing and known procedures, Lantian planned for a new service connection that will connect the Spectrum Solar project to two existing distribution feeders, which already exist in front of its property and both serve the District. Lantian and Spectrum entered into the final Facility Study Agreement with PJM Interconnection on May 23, 2019 and have been waiting for the final report and corresponding interconnection agreement to be rendered. The Commission's proposed restriction would undercut several years of investment-backed expectations of Lantian in developing this project and unreasonably exclude 5.6 MW of solar generation from the District's RPS for a project located just 1,500 feet from the District and adjacent to two distribution feeders serving the District.

While we would recommend that the Commission adopt less restrictive language, in the event that the Commission adopts this more restrictive language, we would strongly urge adopting "grandfathering" language for projects that have invested in reasonable reliance on the Commission's prior practices. Fairness dictates that projects should be eligible if, prior to the effective date of the regulations, they have already submitted an interconnection application to Pepco or PJM to connect to a distribution feeder serving the District through a service connection. This will protect those solar developers who have already invested time and money under existing rules from undue and significant financial harm.

Lantian understands that MDV-SEIA is also filing comments taking a similar position with respect to service connections. Lantian strongly supports MDV-SEIA's comments on this point.

Thank you very much for your consideration. We hope that you recognize that the changes we have suggested would help the District achieve its solar energy goals in the near and long term.

Please do not hesitate to contact me with any questions.

Respectfully submitted,

Robert J. Elliott, Jr. CEO

Cc: Steve Silver, Lantian Development
Mike Alexander, Spectrum Solar
Todd Chasen, Gordon Feinblatt
David Beugelmans, Gordon Feinblatt



ACKNOWLEDGEMENT OF PUBLIC COMMENTS

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Docket Number: RM29-2020-02-M - 19

Thank you for your submission of comments regarding RM29-2020-02-M. Your comments have been docketed in the case and are available on our website, www.dcpsc.org.

Regards,

Brinda Westbrook-Sedgwick Commission Secretary

Brinda Derthart . Selgavil

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