



April 25, 2023

Via UPS Next Day Delivery and via email Robert.M.Blue@dominionenergy.com

Mr. Robert M. Blue
President and Chief Executive Officer
Dominion Energy
120 Tredegar Street, Pump House
Richmond, VA 23219

Dear Mr. Blue,

On behalf of the many K12 public schools, communities and other public and private entities served by members of the Virginia Distributed Solar Alliance (VA-DISA), we are writing to request, for net-metered projects up to and including 1 MW (AC), **an immediate suspension** of the [Interconnection Parameters for Net Metering Distributed Energy Resources](#) issued by Dominion Energy Virginia on December 20, 2022 (“December Interconnection Parameters”). We ask that such suspension continue until resolution of issues being addressed as set forth in the March 3, 2023 Order of the Virginia State Corporation Commission (SCC) in [SCC Docket No. PUR-2022-00073 on Interconnection-Related Issues](#) (“March Interconnection Order”).

Such a suspension is appropriate given SCC staff findings reported out on September 19, 2022, that the most significant impediment to solar development in Virginia involve Dominion-imposed interconnection requirements, which then resulted in the March 3, 2023, Interconnection Order. Now that the SCC has provided for a working group process starting in August 2023 to start addressing what appropriate new interconnection requirements should be via working group recommendations, pilot studies and regulation reforms, it is premature for Dominion to unilaterally impose new interconnection requirements before the SCC process is complete.

Such a suspension is crucial because the December Interconnection Parameters impose Direct Transfer Trip (DTT), dark fiber, and distributed generation (DG) relay panel requirements that create substantial new costs for net-metered projects from 250 KW to 1 MW AC. As noted in Dominion’s Interconnection Parameters on page 35, dark fiber costs \$150,000 to \$250,000 per mile. A DG Relay panel costs \$250,000 for the equipment plus an additional \$200,000 to \$1,200,000 for engineering, mobilization, and construction management. In many if not most cases, these costs make solar projects unfeasible for public schools, municipalities, and other public and private entities seeking to achieve their sustainability goals through solar energy. Dominion’s interconnection requirements are especially detrimental for rural schools and communities where Dominion’s distribution grid is least developed, and these customers are most often least able to afford these costs. They are also decimating the Virginia solar industry and threatening to trigger massive job losses for solar developers, installers, and many other people employed by these small businesses.

The premature imposition of the December Interconnection Parameters could not have come at a worse time because it threatens Virginia’s ability to maximize funding from the Inflation Reduction Act (IRA). Such IRA funding is needed to make implementation of the Virginia Clean Economy Act (VCEA) more affordable for Dominion

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ratepayers. Premature imposition of the December Interconnection Parameters will exacerbate the flight of investment capital and Virginia taxpayer dollars to other states with more solar-friendly policies.

Premature imposition of the Dominion December 2022 Interconnection Parameters also robs Dominion and its ratepayers of benefits resulting from reductions in coincident summer daytime peak demand from the solar arrays, and of the ability to meet Dominion's Renewable Portfolio Standards (RPS) more affordably under VCEA for projects up to 1 MW (AC) per [VA Code § 56-585.5\(C\) Generation of electricity from renewable and zero carbon sources](#).

Since 2022, a growing number of small-scale solar projects in Virginia are struggling with high Dominion interconnection costs, making it difficult for small scale solar projects to be economically feasible. A representative sample of these projects is shown on **Attachment A** to this letter that does not include numerous solar projects under development by other developers. These examples demonstrate how the prohibitive costs of interconnection, which can be up to 40% of the total project cost, can make small-scale net-metered solar projects in Virginia unbankable. These costs are not proportionate to the size of the projects, which are all 1 MW (AC) or less. Such costs pose a significant barrier to the deployment of small-scale solar projects across the Commonwealth. These costs are particularly challenging for public schools, municipalities, and other public and private entities seeking to achieve their sustainability goals, especially in rural communities, as they often have limited budgets and resources.

Moreover, the waiver of these Dominion interconnection requirements for certain projects in Dominion territory in the past establishes that DTT and dark fiber requirements can be foregone without impacting the safety, reliability, and operability of the grid.

An immediate suspension of the December Interconnection Parameters for small scale net-metered solar projects up to 1 MW (AC) is both appropriate and necessary pending the outcome of the SCC working group to review the interconnection standards and develop recommendations for pilot studies and regulation reforms that address the concerns of stakeholders.

As concerned small business solar installers and developers of VA-DSA, and on behalf of the communities we serve, we urge Dominion Energy to take a leadership role in promoting renewable energy. Suspending the December Interconnection Parameters now would help promote equitable treatment of all ratepayers, avoid imposing undue barriers on customer access to solar, and encourage private investment and job creation for small commercial scale solar projects in Virginia while the SCC sorts out what new requirements are appropriate for net metering projects up to 1 MW.

Thank you for your attention to this matter. We would very much appreciate your response within 10 business days. Thank you.

Sincerely,



Anthony E. Smith, PhD
Co-leader, VA-DSA
President and Founder, Secure Solar Futures

ATTACHMENT A: REPRESENTATIVE SAMPLE OF 2022-23 PROJECTS

1. **Red River Foods**, commercial customer, 562 KW (AC), rooftop solar project in Richmond, VA. **Tiger Solar** is solar installer: Dominion requiring dark fiber DTT, interconnection cost estimated at \$526,000 plus another \$300/mo in Dominion maintenance costs (Interconnection cost is 33% of total project cost).
2. **Piedmont Virginia Community College**, 300 KW (AC), **Tiger Solar** is solar installer. NMIN application submitted in January 2023, still pending reviews from Dominion Transmission team, Substation team on dark fiber, and Peer Review Team.
3. **Habitat for Humanity of South Hampton Roads**, 85 kW DC solar project in Norfolk, VA. **Norfolk Solar** is the solar developer and **Convert Solar** is the solar installer. Dominion charging for upgrade of Dominion's own equipment, as they claim site needed a new pole/transformer for this small project \$16k at installer's cost. Total project cost was \$142,887 before the interconnection costs of \$16,054 imposed by Dominion. Current project status is complete and operational. (Interconnection cost is 11% of total project cost). NMIN filed in March 2022. Dominion notified on June 6th, 2022, that the customer would like to proceed with the transformer upgrade. The contingent approval letter for the project was provided by Dominion on November 9th, 2022. PTO (permission to operate) was issued by Dominion on January 4th, 2023.
4. **Chesterfield County Public Schools**, Matoaca Elementary School, 320 KW (AC) rooftop solar project in Chesterfield, VA. **Convert Solar** is the solar installer, PPA is with BrightSuite. Exceptionally long wait periods to get feedback. Estimated interconnection cost is \$300,000 (Interconnection cost is 40% of total project cost). Project had to be downsized, at significant cost to installer, to 250 KW (AC) to avoid interconnection costs. This was the 6th of similar projects, where the previous 5 projects had been previously approved by Dominion without such interconnection costs.
5. **Grand Market** in Newport News. 900 KW (AC). **Convert Solar** is the installer. Exceptionally long wait periods to get feedback. Estimated interconnection cost is \$370,000 (Interconnection cost is 22% of total project cost). Owner who has done other similar projects with Convert Solar cannot proceed with this project due to interconnection costs.
6. Various solar projects (4 to 6) over 250 KW with **Convert Solar**, proposed in Q4 2022 and Q1 2023, all stalled pending Dominion studies where NMIN application period has exceeded 60 days.
7. **Augustas Solar** community solar project, 975 KW (AC) in Augusta County, VA. **Secure Solar Futures** and LEAP (a Charlottesville, VA non-profit) as solar co-developers/owners. Dominion requiring dark fiber for 4.5 miles plus substation improvements and reclosers -> additional \$1 million in upgrades. (Interconnection cost is 40% of total project cost)
8. **Prince William County Public Schools**, Freedom High School solar project, approx. 900 KW (AC). **Secure Solar Futures**. Dominion is now past the 60-day period for interconnection response.
9. Numerous public school solar projects under development by **Sun Tribe Solar** are similarly negatively impacted by the high interconnection costs, requirements, and delays.

**The bold-faced organizations listed above include EPCs, solar developers and customers who are representative of the many companies and customers adversely affected by Dominion's Interconnection Parameters.*