

March 14, 2025

Massachusetts Department of Energy Resources (DOER)
Energy Storage Programs Manager
Renewable and Alternative Energy Division
100 Cambridge St #1020
Boston, MA 02114
Thomas.Ferguson@mass.gov

Re: MA DOER 83E Round 1 Comments submitted by Conservation Law Foundation

Dear Mr. Ferguson:

I. Introduction

Conservation Law Foundation (“CLF”) submits the following comments on Massachusetts Department of Energy Resources’ (“DOER”), the Massachusetts Electric Distribution Companies’ (“EDCs”), and the Attorney General’s Office’s (“AGO”) (collectively “RFP Drafting Parties”) forthcoming Request for Proposals (“RFP”) for a first-round solicitation for mid-duration energy storage projects under Section 83E (“83E Round 1”).¹

Massachusetts has set a target of implementing 1,000 MWh energy storage by December 31, 2025 via An Act to Advance Clean Energy.² As of February 15, 2024, EDCs have installed 569 MWh of installed energy storage.³ An Act Promoting a Clean Energy Grid, Advancing Equity and Protecting Ratepayers (“2024 MA Energy Law”), signed on November 21, 2024, created Section 83E Procurement, which directs that utilities enter into long-term contracts for approximately 5,000 MW of energy storage by July 31, 2030, to which 3,500 MW shall be mid-duration.⁴ On timing requirements, the EDCs should enter into contract for approximately 1,500

¹ Founded in 1966, CLF is a nonprofit, member-supported, regional environmental organization working to protect New England’s environment for the benefit of all people. We use the law, science, and markets to create solutions that build healthy communities, sustain a vibrant economy, and preserve natural resources. CLF appreciates the opportunity to submit comments on 83E Round 1.

² *ESI Goals & Storage Target*, MASS.GOV, <https://www.mass.gov/info-details/esi-goals-storage-target> (last accessed on March 13, 2025).

³ *Id.*

⁴ Zach Gerson, *Massachusetts Permitting and Siting Reform Is On The Way! What Does That Mean For Your Projects?*, FOLEY HOAG, RENEW NORTHEAST Presentation (Nov. 2024); *see also* Joshua Rosen, Zachary Gerson, *2024 Clean Energy Act Promotes Energy Storage Deployment Across Massachusetts*, FOLEY HOAG (Jan. 15, 2025),

MW of mid-duration storage by July 31, 2025.⁵ As stated in RENEW Northeast, Inc.’s (“RENEW”) letter, “83E Round 1 will help projects interconnecting to the grid overcome significant barriers to obtaining investment” ... and “[w]ithout long-term contractual commitments with creditworthy counterparties, these projects cannot be financed and will not be built.”⁶

II. CLF’s Recommendations

CLF provides the following recommendations on the RFP below:

Procurement Schedule: As a member of RENEW,⁷ CLF supports RENEW’s stance that “Massachusetts should not delay 83E Round 1 to run it jointly or in parallel with another New England state or states ... In fulfillment of the Section 83E requirements, the RFP should be issued by July 31, 2025, for the entire 1,500 megawatts of energy storage.”⁸ DOER is also required to procure the entire 1,500 megawatts of clean energy storage by July 31, 2025, and should ensure that it follows the timeline established by statute. Delaying the procurement to run jointly or in parallel with another New England state may unnecessarily complicate the RFP and diminish procurement opportunities.

Environmental Attributes: Section 83E establishes that the procurement of 1,500 megawatts of mid-duration storage by July 31, 2025, be for environmental attributes only.

Clean Peak Qualification: More information needs to be provided as to how the procurement will dovetail or be sequenced with DOER’s promised clean peak program review. CLF provided its comments on the Clean Peak Energy Standard (“CPS”) and how it can better contribute to the 2050 Global Warming Solutions Act mandates on May 3, 2024.

Eligible Bids: CLF supports that “[a]ll energy storage systems, as defined in section 1 of chapter 164 of the General Laws, meeting the mid-duration energy storage definition and having technology that is technically viable should be eligible to bid.”⁹

Facilitating the Financing of Projects: As RENEW stated, the RFP can explore regulatory risks if the federal Investment Tax Credit (“ITC”) is eliminated or weakened

<https://foleyhoag.com/news-and-insights/blogs/energy-and-climate-counsel/2025/january/2024-clean-energy-act-promotes-energy-storage-deployment-across-massachusetts/>.

⁵ *Id.*

⁶ See RENEW Comment on 83E Round 1 Comments, at 1.

⁷ *Id.* (Note, the comments submitted by RENEW “represent the views of RENEW and not necessarily those of any particular member of RENEW. RENEW Northeast (www.renewne.org) unites environmental advocates with developers and operators of the region’s largest clean energy projects to coordinate their ideas and resources with the goal of increasing environmentally sustainable power generation in New England from the region’s abundant renewable energy resources.”).

⁸ *Id.* at 2.

⁹ *Id.* at 3.

which allows a deduction of the cost of renewable energy systems from federal taxes.¹⁰ The Inflation Reduction Act extended the ITC of 30% “as long as projects meet prevailing wage & apprenticeship requirements for projects over 1 MW AC.”¹¹ CLF supports RENEW’s suggestion that “DOER can borrow from language in offshore wind contracts for ideas on how to implement these protections.”¹² The ITC is benefiting the battery storage industry in several ways by reducing upfront costs and incentivizing investment; weakening or dismantling the ITC will ultimately result in a slower deployment of energy storage projects and higher upfront costs.

Commercial Operation Date: A commercial operation date (“COD”) is an important part of the RFP as it ensures energy storage systems are deployed and operational on time to meet the Commonwealth’s clean energy goals. While issues can arise in the development process, DOER should consider a loss of incentives if battery storage facilities fail to meet the COD. DOER should be willing to grant an extension to the COD if there are legitimate challenges to the COD, such as supply chain issues, but should only grant the extension based on a good faith demonstration of failing to meet the original timeline. However, Massachusetts must also take a prudent approach regarding potential COD requirements to ensure that any such deadlines do not limit competition, constrain developers’ ability to respond to supply chain signals, or compromise project viability.

Contract Length and Form: CLF supports the idea that long-term contracts will help with customer costs and have projects get financed at a lower rate. CLF recommends 20-year terms. The agency’s adoption of policies encouraging the execution of long-term contracts alerts investors that our Commonwealth is committed to meeting peak demand with clean resources. The availability of contractual awards will lower financial risk for project developers as well as their investors, while simultaneously increasing competition for the benefit of consumers.

Safety: Safety must be prioritized and is of utmost importance with community members that CLF regularly engages with. As RENEW states, “[t]he energy storage industry actively promotes the adoption and enforcement of the latest national fire safety standards. The industry has supported the integration or adoption of National Fire Protection Association (NFPA) Standard 855 (Standard for the Installation of Stationary Energy Storage Systems) in nearly a dozen states. It supports efforts for up-to-date uniform best practices for evaluating and mitigating fire hazards.”¹³ DOER should still, however, ensure that battery storage facilities and technologies meet and exceed qualification standards. Developers must comply with both state and local laws on fire

¹⁰ *Id.*

¹¹ *Summary of Inflation Reduction Act provisions related to renewable energy*, EPA.GOV, <https://www.epa.gov/green-power-markets/summary-inflation-reduction-act-provisions-related-renewable-energy> (last accessed on March 13, 2025).

¹² See RENEW Comment on 83E Round 1 Comments, at 3.

¹³ *Id.* at 4.

safety. In its decision-making, DOER must assess that such technologies meet extensive safety standards to not put communities at risk of harm.

Economic Development, Workforce, and Diversity, Equity & Inclusion (DEI): As RENEW stated in its comment letter, “[f]or new and existing energy storage units alike, bids should receive points under the qualitative scoring criteria reflecting their benefits for economic and workforce development in Massachusetts.”¹⁴ This may include engaging in a community benefits agreement or including a requirement in the RFP that developers hire a certain percentage of local workers and/or provide job training programs for residents in the community where the project is located. DOER can explore best practices for measuring the impact of workforce development and ensure that it is utilizing metrics to track progress.

Environmental Justice: Battery storage can benefit environmental justice populations across the Commonwealth if they are sited correctly and reduce the Commonwealth’s reliance on fossil fuels. For environmental justice communities to be meaningfully involved in the development process, developers must ensure that they are engaging early with community leaders to address siting concerns. While siting reform was extensive through the passage of the 2024 MA Energy Law, the RFP can encourage EDCs to emphasize safety, engage with local environmental justice populations, and include community members throughout the process. The RFP process can also require that developers show how the project will reduce environmental burdens in EJ populations. As discussed above, the RFP can also include requirements for local hiring opportunities, training programs, and business development for those living in EJ populations across the Commonwealth, ensuring that the RFP is contributing to the just energy transition.

Energy Storage Industry: CLF reiterates RENEW’s stance that DOER “finalize its separate procurement authority under the CPS, which it started in 2021, for a future procurement for 2-hour duration battery energy storage.”¹⁵

Future RFPs: For future RFPs, DOER should consider establishing clear and measurable performance standards and include provisions for post-deployment monitoring to ensure projects deliver and help the Commonwealth meet its climate mandates.

III. Conclusion

CLF appreciates DOER’s efforts to engage the public in its work and looks forward to working with DOER as it helps move our Commonwealth toward a cleaner and electrified future. DOER should also give the public to comment on the draft RFP once it is developed, while also being mindful of timing constraints.

¹⁴ *Id.* at 5.

¹⁵ *Id.* at 6.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Anxhela Mile', with a stylized, cursive script.

Anxhela Mile

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