83E Stakeholder Questions

The Massachusetts Department of Energy Resources ("DOER"), the Massachusetts Electric Distribution Companies ("EDCs"), and the Attorney General's Office ("AGO") (collectively "RFP Drafting Parties") welcome public comments on the following areas relevant to a forthcoming Request for Proposals ("RFP") for a second-round solicitation for mid-duration energy storage projects under Section 83E ("83E Round 2"). The RFP Drafting Parties provide the areas for comment below to solicit input from interested parties and stakeholders on specific questions of interest related to 83E Round 2, which is for procurement of environmental attributes, energy services, or a combination of both. While the RFP Drafting Parties are currently focused on 83E Round 2, please provide and mark any comments on considerations for 83E Round 3 and other future Section 83E procurements. Interested parties and stakeholders are invited to provide comments in response to the prompts below and/or on any other topics related to 83E Round 2.

Whenever possible, please provide explanations or justifications for any recommendations provided. Please note that the RFP Drafting Parties will consider comments in drafting the RFP but not otherwise respond to comments received.

Submission Instructions: Please submit all comments via email to Thomas.Ferguson@mass.gov as soon as possible, but no later than 5:00 pm on January 30, 2026. Please include "83E Round 2 Comments" and the name of the individual or organization submitting comments in the subject line.

Confidentiality: Please note that all comments received will be posted publicly on the MACleanEnergy.com webpage following the submission deadline; unless a party indicates its submission contains proprietary or commercially sensitive business information that should be treated as confidential energy information, to the extent permitted by law. Public information is highly preferred as the RFP Team may cite and refer to public comments. Confidential submissions should be clearly marked "CONFIDENTIAL" and submitted along with a public version with any confidential information redacted. Commenters are encouraged to limit redactions to the extent possible.

1. As a developer of distribution-connected energy storage projects, would a CPEC-only long-term contract for environmental attributes support the financing of new projects or the operation of existing projects? Please explain how an attribute-only contract would benefit a project over and above the CPS market.

2. How can the Round 1 form contracts[1], the Environmental Attribute Purchase Agreement, be reasonably modified and simplified to accommodate multiple smaller projects without significantly negatively impacting or shifting risk to customers?

3. As a developer of distribution-connected energy storage projects, please describe all the direct and indirect benefits the Evaluation Team should consider for distribution-connected energy storage projects, including but not limited to reduction in transmission cost.

4. Please provide your assessment of the proportional contribution of all revenue streams—both current and projected—to the overall economics of your proposed storage system (e.g., arbitrage, reserves, capacity, ancillary services, environmental attributes). How do you expect these proportions to evolve over a shorter time horizon (the next 5–10 years) or longer time horizon (up to 30 years) in the ISO-NE region? Please provide anticipated percentage ranges, and any underlying probabilistic assumptions (e.g. P90, P50, P10) where possible.

5. Given the ISO-NE's transition from a forward capacity market to a prompt seasonal market, has this impacted your assumptions regarding revenue certainty of this value stream when evaluating your project's economics? If so, how?

6. Please provide suggestions for how an energy services contract for a transmission-connected energy storage system should be structured.
    a. Are there specific models like the NYSERDA Index Storage Credit Request for Proposals[2], the Maryland Partial-Toll Framework[3], or others that the Evaluation Team should emulate?
    b. What are the pros and cons of those models? What changes to those models should be made for the Massachusetts procurement to minimize costs and risk for EDC customers while increasing the likelihood of successful project development?

---

[1] https://macleanenergy.com/wp-content/uploads/2025/08/national-grid-model-storage-contract-draft-final-pro-forma.docx and https://macleanenergy.com/wp-content/uploads/2025/08/storage-contract-eversource_eversource-and-unitil-final-pro-forma.docx

[2] https://www.nyserda.ny.gov/-/media/Project/Nyserda/Files/Programs/Energy-Storage/2025-08-13-Index-Storage-Credit-Request-for-Proposals-Proposers-Webinar.pdf

[3] Section 1.2.1 of Maryland Request for Applications (RFA): Transmission Connected Energy Storage - Round 1 (https://mdpsc-ngea-storage.com/wp-content/uploads/2025/12/maryland-psc-ngea-energy-storage-request-for-applications-round-1.pdf)

7. What benefits could be guaranteed in a Round 2 potential energy services contract that are different from the environmental attribute only Round 1 solicitation? How could those benefits be measured?

8. Please suggest and describe any energy services pricing mechanisms that would mitigate the uncertainty associated with the anticipated forward capacity market changes.

9. How would a project guarantee continued reliability benefits over the life of a contract if the developer chooses not to or cannot obtain a capacity supply obligation?

10. Please add any additional comments not captured by your responses to the prior questions that you believe the RFP Drafting Parties should consider.