

VIA ELECTRONIC FILING

January 30, 2026

Thomas Ferguson, Ph.D.
Massachusetts Department of Energy Resources
100 Cambridge St., 9th Floor
Boston, MA 02114

re: 83E Round 2 Request for Comments – BlueWave Comments

Dear Dr. Ferguson,

BlueWave appreciates the opportunity to provide comment in response to 83EII Request for Comment issued on January 16, 2026. The 83EII procurement is an important opportunity to provide a path to market for mature distribution-connected energy storage resources, and to continue procuring transmission-connected storage. Diversity of resource selection will ensure the procurement has the best chance of succeeding.

BlueWave's mission is to protect our planet by transforming access to clean energy. BlueWave is actively developing energy storage projects, including both transmission- and distribution-scale projects in Massachusetts, to ensure our grid is reliable and efficient in a clean energy future. BlueWave is proud to be a certified B Corp, scoring in the top 5% of companies assessed towards certification in Governance, and named Best for the World for Governance.

Below, we provide responses to select questions from the Request for Comment. Please see our separately submitted joint responses specifically regarding distribution-connected energy storage.

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.**

Please see our separate joint response.

2. **How can the Round 1 form contracts¹, the Environmental Attribute Purchase Agreement, be reasonably modified and simplified to accommodate multiple smaller projects without significantly negatively impacting or shifting risk to customers?**

Please see our separate joint response.

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.**

Please see our separate joint response.

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.**

Each of the revenue streams are highly variable and vary widely depending on the model projections used. Environmental attributes represent a significant portion of the revenue streams necessary to make a project economic and are the least reliable to model, given the limited program history. Contracting on the environmental attributes is critical to firming up the project revenue to secure financing and to become comfortable with other, variable revenue streams.

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?**

Please see our separate joint response.

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, the Maryland Partial-Toll Framework, or others that the Evaluation Team should emulate?**

The procurement design choice will be consequential for the price that bidders are able to offer. Procurement designs with higher degrees of contracted revenue will lead to lower costs of capital and, thus, lower bid prices. BlueWave would prefer a full tolling structure, in which the utility has the right to dispatch the project, while the project owner retains responsibility for development, construction, and maintenance. The Index Storage Credit (“ISC”) is another worthwhile option to consider; this structure is still new and there are significant considerations necessary to ensure that the model is able to be successful in ISO New England, but it offers promise as a mechanism to hedge risk and incentivize performance.

- 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?**

The higher percentage of contracted revenue, the greater the likelihood that a project’s development will be successful, as there are fewer variables that could lead a project to become uneconomic.

A structure like the ISC provides a procurement design that would incentivize developers to operate efficiently in the markets, delivering ratepayer benefits, while also providing sufficiently contracted revenue to justify investment.

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.**

The ISC bakes future changes to the Effective Load Carrying Capability (“ELCC”) into the design, such that changes to the capacity accreditation of energy storage do not positively or negatively impact project revenues.

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?**

Please see our separate joint response.

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

Conclusion

BlueWave appreciates the opportunity to submit comments in response to the Request for Comment, and we look forward to continuing to engage in the 83EII process. Please do not hesitate to contact me with any questions.

Sincerely,

/s/ Sean Burke

Sean Burke
Director of Policy
BlueWave
sburke@bluewave.energy