DOCKET NO. 26-06-04 – IMPLEMENTATION OF CLEAN ENERGY SUCCESSOR PROGRAMS

TECHNICAL MEETING

OCTOBER 22, 2026

Agenda

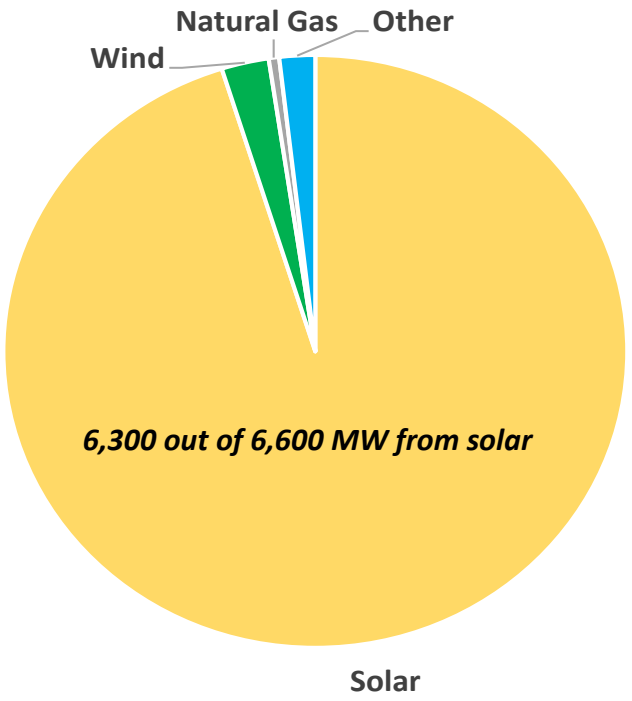
- Differentiated Pricing and Storage Incentives
- Residential Metering and RPS
- Non-Residential Program Design

Differentiated Pricing

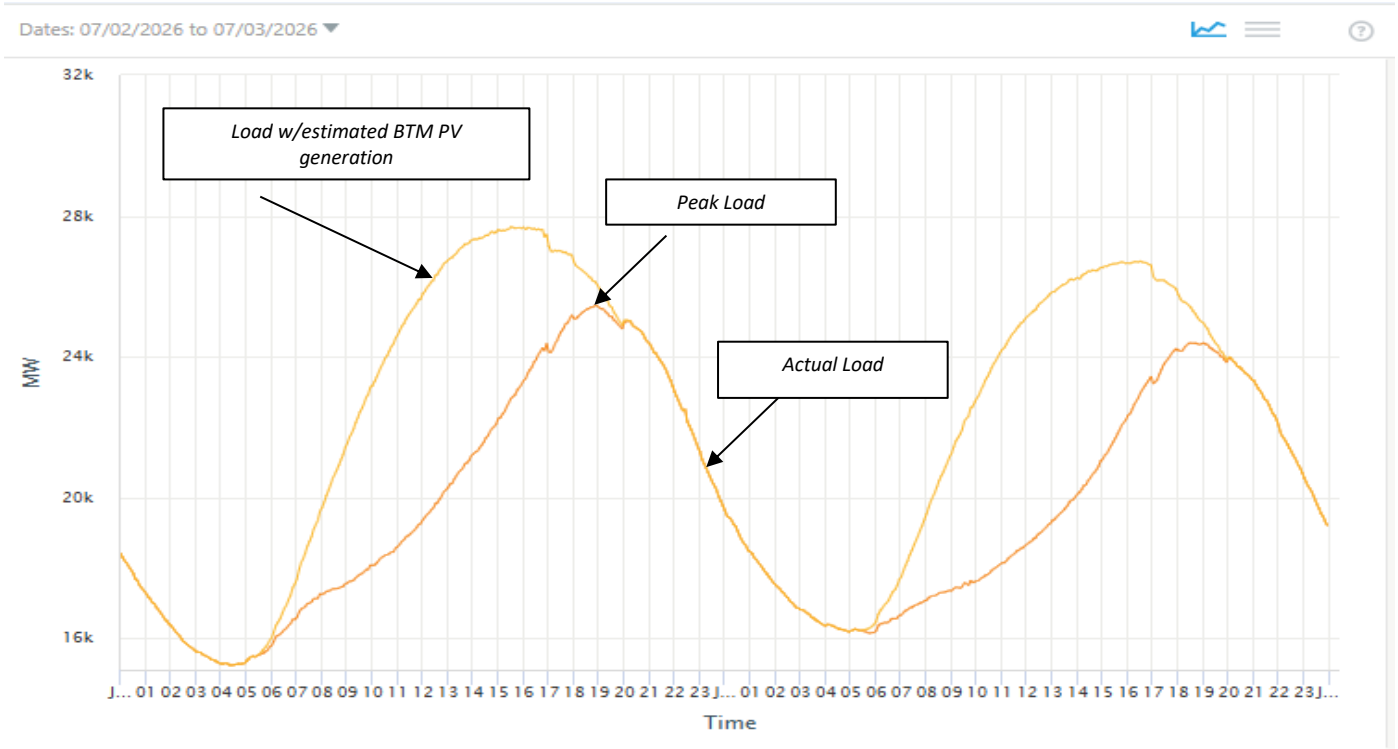
Resource diversity required to meet system requirements

- Supportive policies and fewer siting challenges have made solar leading new resource in New England
- “BTM” Solar production has meaningfully altered system-wide summer load profile (~2 GW peak reduction)
- Peak load reduction potential of standalone PV increasingly exhausted

ISO-NE New Online Capacity (Nameplate MW)
2021-2025



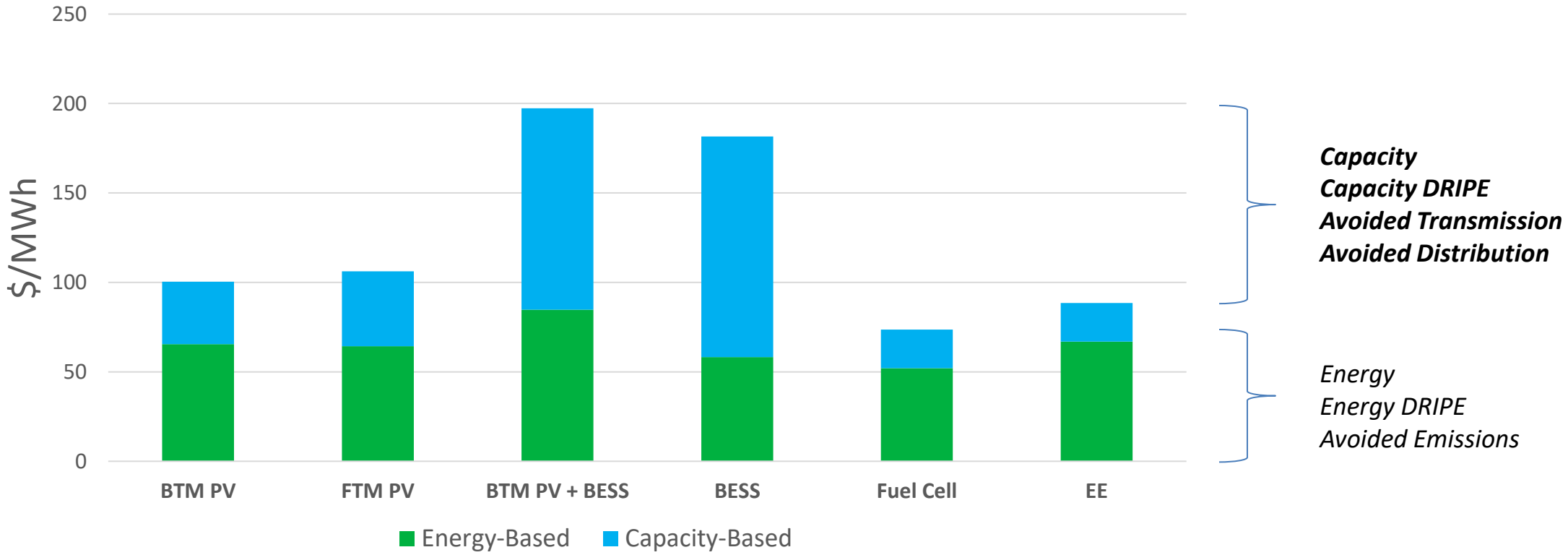
ISO-NE Load (July 2-3, 2026)



Differentiated Pricing

Majority of estimated storage benefits ultimately based on capacity performance

- PURA/DEEP Value of DER Report attributed majority of value from paired or storage resources to capacity-based values



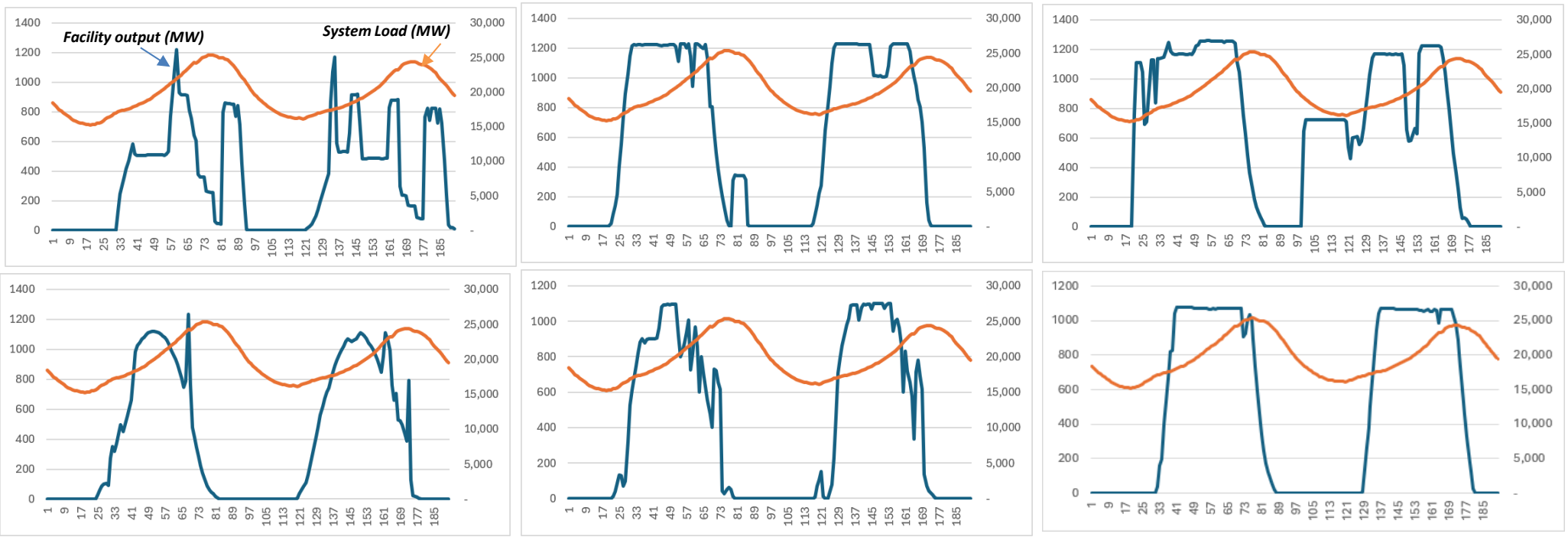
- kW-based performance payments are more reliable pricing approach for aligning compensation with intended benefits

Differentiated Pricing

Paired BESS operation may be inconsistent under other incentive structures

- Operation of BESS resources can be variable when operating requirements or price signals are flexible
  - Maximizing revenue from compensation adders or peak energy pricing doesn't require firm delivery

Actual PV + Storage Output (MA facilities - July 2-3, 2026)

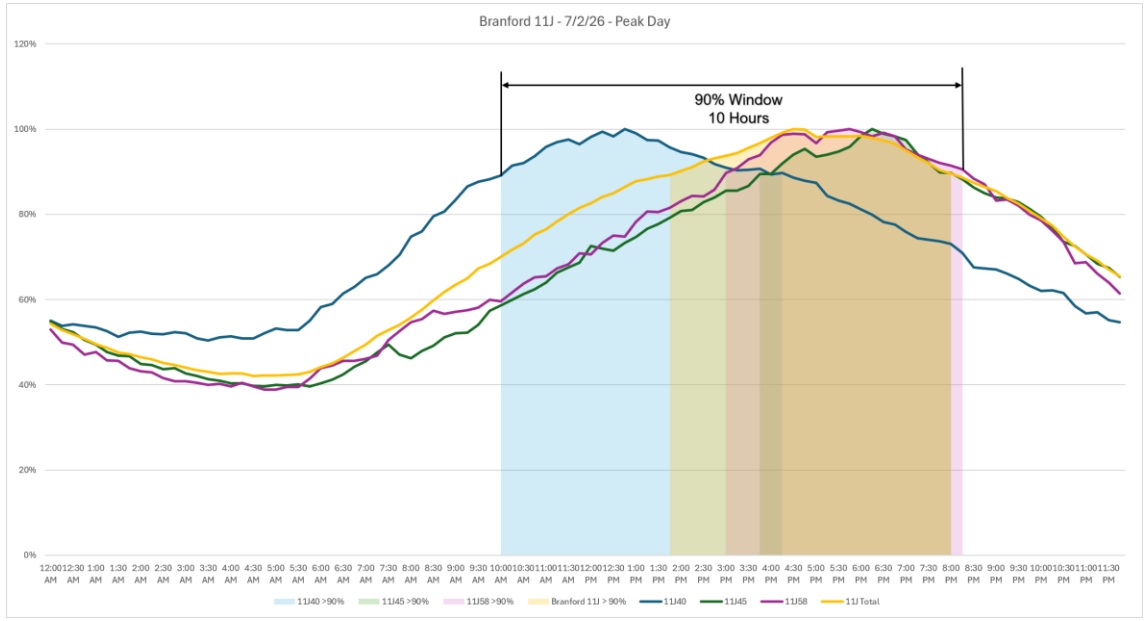


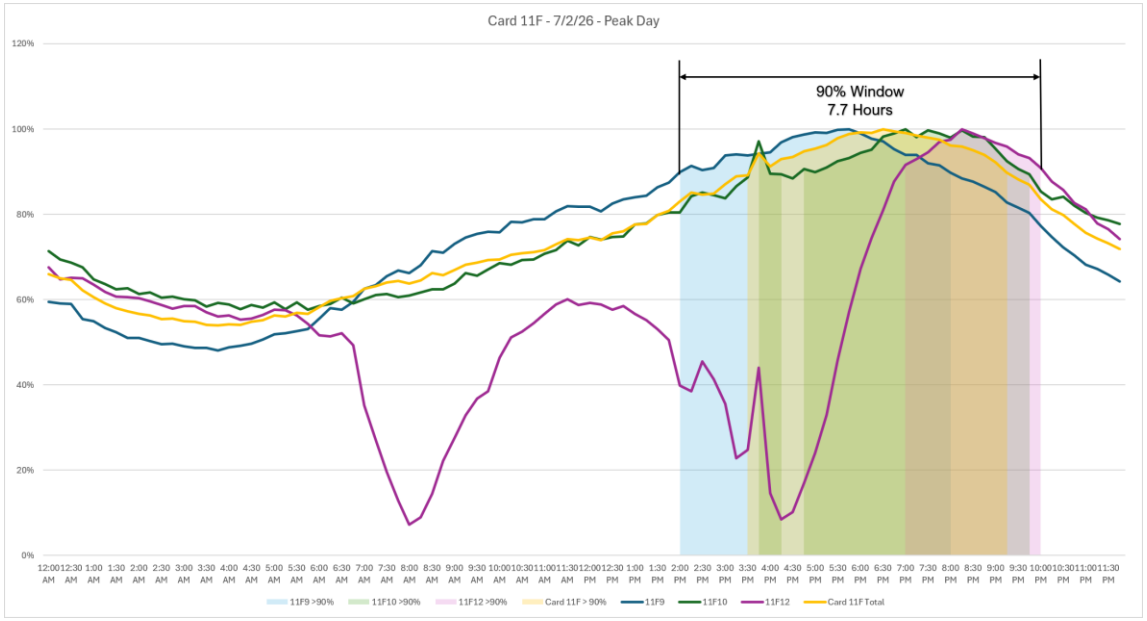
- Reliance on additional generation resources and T&D infrastructure less likely to be reduced without consistent performance

Differentiated Pricing

Customizing target output periods to maximize locational value

- Variation in load profiles across circuits and seasons means uniform criteria may not maximize benefits



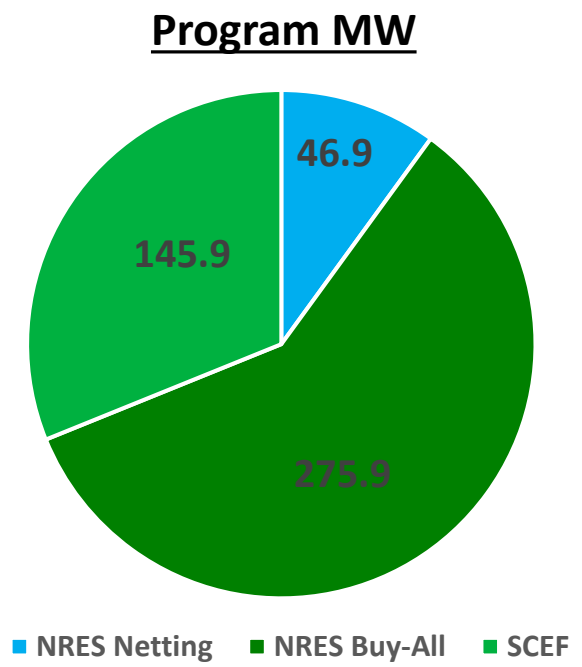


- Providing individual direction for system owners to target specific periods is efficient method to begin optimizing system benefits
  - Directly basing compensation on anticipated system benefits better addressed through Non-Wires Solutions approaches

Differentiated Pricing

FTM facilities provide largest near-term opportunity

- Current rate designs and programs already incentivize performance of paired BESS for BTM facilities
  - TOU rates available to both residential and commercial customers within current program designs
  - BTM BESS can be utilized to mitigate demand charges for current commercial customers
  - Energy Storage Solutions Program provides further incentives for BTM BESS at customer premises
- Rate designs can continue to evolve to further encourage management of BTM resources
  - Reducing export compensation rates will encourage customers to align energy output with individual consumption
  - Advanced TOU rate offerings expected to be enabled by future metering and billing investments
- FTM resources are significant majority of lower cost commercial clean energy program enrollment



Differentiated Pricing

Comprehensive “Connecticut” MPF proposal should be developed

- Interest and questions on conceptual “Eversource Proposal” are welcomed
- Further development of several program design elements and key terms would benefit from stakeholder collaboration:
  - Performance criteria
  - Metering configurations and charging restrictions
  - Interaction with flexible interconnection and RTAC capabilities
  - Rate setting and project economics
  - Boundaries of project-specific peak periods
- Seeking consensus proposals within working group environment could expedite development of successful program designs

Residential Program Design

Eliminating meter requirements is feasible with alternative incentive structure

- Support programs designed to operate without additional production metering
  - Eliminating additional meters would reduce costs and streamline program enrollment/PTO
  - Reliance on 3rd party data sources remains discouraged for efficient program operations
- Delivering limited additional incentives or charges through $/kW payments for netting projects is reasonable alternative in absence of reliable production data
  - Payments would continue to be processed outside billing systems, mitigating significant implementation requirements
  - Majority of tariff value would remain performance-based bill reduction/on-bill credit
  - Buy-all project compensation should remain based upon utility-owned meter data

Equivalent Incentive Amounts

	$/kWh	$/kW-mo	% total value*
Low-Income Adder	$0.0350	$4.15	11.2%
Distressed Municipality Adder	$0.0175	$2.08	5.9%
Solar Energy Adjustment	$(0.0325)	$(3.86)	(13.2%)

**w/full retail rate*

Residential Program Design

Adjusting RPS requirements may deliver comparable value to customers

- Reporting only excess generation would significantly reduce volume of REC sales and program cost reductions
  - Impact could be 40 percent reduction to REC proceeds from successor program based on average customer profile
  - Historical data unreliable basis of estimates due to volume of skipped production meters
- Exercising authority to adjust RPS requirements may realize similar long-term benefits for Connecticut consumers with reduced administration
  - NEPOOL reporting, REC sales and transfers, Class I RPS applications would all be eliminated

Sample calculations (RRES 2026)

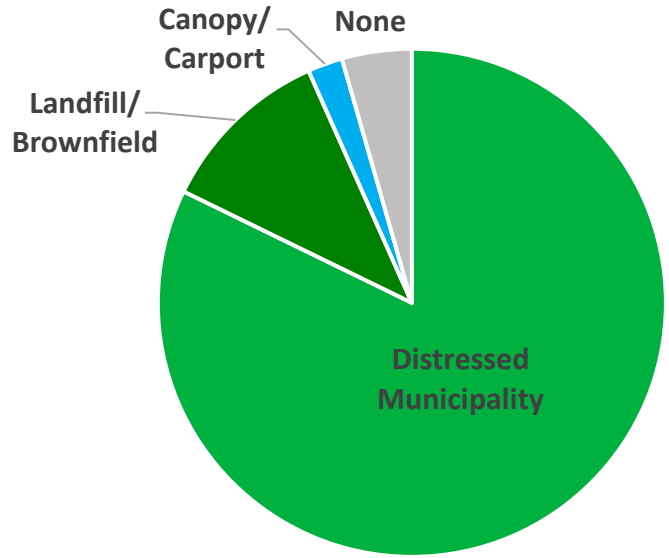
Installed program capacity	394 MW
Annual estimated generation	517,716 MWh
Annual retail load	24,946,181 MWh
RPS Class I requirement	25%
Class I reduction	(2.07%)
Adjusted RPS Class I requirement	*22.93%*

Non-Residential Program Design

Recommend limited bid preferences/adders aligned with intended outcomes

- Tie preferences to intended outcomes
  - Preferences should be limited to clearly defined policy objectives
  - Clear definitions that can be reasonably administered
- Ensure preference support measurable outcomes without distorting competition
  - Significant majority of Large NRES projects rely on DM preference to secure selection
  - Limited insight into benefits for DMs or lost opportunities to other communities
- Consider ratepayer cost impacts
  - The addition of adders or preferences that allow bidding above price caps have the potential to increase program costs
  - Any consideration of adders should be justified by demonstrable benefits.

Selected Large Zero Emission Bid Preferences



Non-Residential Program Design

Project maturity requirements to maximize clean energy deployment

- Prefer a fully executed interconnection agreement
  - An executed IA provides a strong, objective indicator of interconnection status and project maturity
- Consider alternative interconnection milestones
  - Other milestones may demonstrate meaningful progress towards interconnection without lowering a maturity standard
  - Should be considered where an executed IA would unnecessarily exclude otherwise viable projects
- Balance project readiness with program participation
  - Requirements should serve to reduce the risk of selecting projects unlikely to advance on timely basis
  - Preserve opportunities for viable projects facing interconnection timelines or processes outside their control
- Establish clear, consistently applied criteria
  - Define qualifying milestones and documentation requirements in advance
  - Clear requirements support uniform evaluation of project readiness and transparent program administration