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CONNECTICUT GREEN BANK

May 28, 2026

Jeff Gaudiosi, Esquire
Public Utilities Regulatory Authority
10 Franklin Square
New Britain, CT 06051

RE: Docket No. 26-08-02– ANNUAL RESIDENTIAL RENEWABLE ENERGY SOLUTIONS PROGRAM REVIEW – YEAR 6

Response to Request for Written Comments 1

Dear Mr. Gaudiosi,

The Connecticut Green Bank ("Green Bank") respectfully submits comments below into the above referenced docket ("Docket") in response to that certain Notice of Request for Written Comments issued by the Public Utilities Regulatory Authority ("PURA") on May 11th, 2026 (the "Notice"). The section below is organized based on the corresponding sections in the Notice.

> **To facilitate the Authority's evaluation of the RRES Program, the Authority requests that docket participants and interested stakeholders file written comments on or before 4:00 p.m. on Thursday, May 28, 2026, addressing the following: Rate setting, Contractor Compliance Working Group Report, Solar production measurement for DC-coupled solar and storage systems**

The Green Bank appreciates the opportunity to provide written comments in the above-mentioned docket and would like to address the following items in its response:

1. **<u>Rate Setting</u>**

The Green Bank respectfully submits the following comments regarding Prompt No. 1, "Rate Setting." Specifically, these comments recommend that PURA expand the scope of the annual rate-setting process to evaluate, design, and implement alternative time-of-use ("TOU") rate structures that better align the Residential Renewable Energy Solutions ("RRES") Program with the operational capabilities of paired solar photovoltaic ("PV") and battery storage systems participating in the Energy Storage Solutions ("ESS") Program.

The current RRES compensation framework was primarily designed around standalone distributed solar generation. However, Connecticut's distributed energy market is increasingly transitioning toward paired solar and storage deployments, particularly as battery systems become more critical for grid reliability, peak demand reduction, customer resiliency, and long-term resource adequacy. As a result, the rate-setting process should evolve to recognize not only when energy is produced, but also when energy is exported, consumed, or dispatched in ways that provide measurable value to homeowners, the electric grid, and all ratepayers.

For clarity, while traditional time-of-use rates generally apply to customer electricity consumption, PURA should consider development of alternative time-differentiated export compensation ("Export-TOU") rate structures applicable to distributed solar and battery storage systems. Such structures would compensate customers based on when electricity is exported to the grid or discharged from battery systems, thereby better reflecting the temporal and locational value of distributed energy resources to the electric system.

PURA should therefore evaluate whether alternative export-TOU compensation structures could more effectively encourage customer behavior that advances grid objectives and strengthens the economic case for residential battery adoption. Specifically, TOU-export rate structures can encourage customers to charge batteries during lower-cost or high-renewable-production periods and discharge during system peak hours when avoided capacity, transmission, and distribution costs are highest.

Importantly, alternative TOU-export rate structures could substantially improve participation in the ESS Program by creating an additional customer value stream beyond existing enrollment and performance incentives. While the ESS Program has successfully supported battery adoption through incentive mechanisms, many residential customers continue to face economic barriers associated with battery system costs. TOU-export rates that increase the value of peak-period energy dispatch could improve customer payback periods, reduce reliance on incentives over time, and support broader market transformation objectives.

PURA should also consider how RRES TOU-export rate structures could complement existing ESS dispatch frameworks, including active and passive dispatch participation models. Under current program structures, many residential battery systems already provide peak reduction and load management benefits through utility dispatch events. A time-differentiated export compensation framework could reinforce these operational behaviors by creating consistent economic signals outside of formal dispatch events, thereby encouraging solar and storage systems to operate in a manner that reduces system peaks and enhances grid flexibility on a more continuous basis.

In addition, TOU-export rates could support broader state policy objectives related to beneficial electrification and future load growth. As residential electrification increases through electric vehicles, heat pumps, and other technologies, appropriately designed TOU rates for solar PV systems paired with battery storage can help mitigate new peak demand impacts and reduce future infrastructure upgrade costs. Residential battery systems can effectively shift load away from constrained hours and improve utilization of existing grid infrastructure.

The Green Bank recognizes that implementation of time-differentiated export compensation rate structures will require time, customer education, stakeholder engagement, and continued development of supporting metering and operational infrastructure. As with any significant rate design change, careful consideration should be given to customer understanding, bill impacts, and ease of participation, particularly in a state with relatively high electricity costs. Accordingly, PURA should begin evaluating potential TOU-export frameworks now through pilots, technical analysis, and stakeholder engagement so that any future implementation is practical, gradual, and informed by real-world customer and grid outcomes.

PURA should therefore consider initiating a stakeholder process, pilot program, or technical working group to evaluate alternative TOU rate designs specifically applicable to customers participating in RRES and ESS. Such an evaluation could include consideration of:

- Peak and off-peak export compensation differentials;
- Dynamic or seasonal TOU periods aligned with ISO-NE system peaks;
- Optional TOU tariffs for paired solar and storage customers;
- Integration of TOU signals with ESS dispatch requirements;
- Customer bill impacts and equity considerations;
- Impacts on low- and moderate-income customer participation; and
- Long-term avoided system costs associated with increased battery adoption and managed load flexibility.

Finally, PURA should consider that any future TOU structure be designed to maintain simplicity and transparency for residential customers while providing sufficient economic certainty to support investment in battery storage systems. Stable and predictable TOU compensation structures can help create long-term market confidence for customers, installers, manufacturers, aggregators, and financing providers participating in Connecticut's distributed energy market.

For the above reasons, Green Bank respectfully recommends that PURA expand the scope of the RRES rate-setting process to include evaluation, development, and implementation of alternative TOU rate structures that support paired solar and storage systems and help accelerate residential battery adoption within the ESS Program.

2. Contractor Compliance Working Group Report

The Green Bank commends the Office of Education, Outreach, and Enforcement ("EOE") for convening and leading the Contractor Compliance Working Group ("CCWG"), as well as for issuing its thoughtful report dated March 31, 2026. Green Bank further appreciates the collaborative effort undertaken to develop recommendations regarding standardized terminology, assumptions, calculation methodologies, and customer disclosure practices for the RRES Program.

3. Solar production measurement for DC-coupled solar and storage systems

The Green Bank appreciates United Illuminating thoughts on this topic, and if deemed necessary, believes there may be some practical solutions that would address it, without unfairly disadvantaging direct current ("DC")-coupled systems or slowing solar + storage deployment.

DC-coupled systems deliver cost and efficiency benefits by routing solar energy directly to the battery before a shared inverter converts it to alternating current ("AC"). This design is common in the residential market and can be especially beneficial for low and moderate income ("LMI") customers facing upfront cost barriers. Though AC coupled systems are likely used more frequently, UI's proposal to suspend Renewable Energy Credit ("REC") sales for DC-coupled systems would likely reduce revenue for affected customers and ones that need it the most, which could create a two-tier market that disadvantages a beneficial and widely used system design.

The proposal to stop allowing DC coupled solar + storage would impact Public Act 26-127[1], Section 7 – whose intent is to reduce the export rate of behind the meter solar and therefore the costs of net metering under CGS 16-243h. This Act establishes a Connecticut Green Bank pilot program to support solar + storage deployment among existing Residential Solar Investment Program ("RSIP"), Residential Renewable Energy Solutions , or net metering customers, with a priority for environmental justice communities. Excluding DC-coupled systems from full participation during this period in one utility territory would skew the pilot dataset toward AC-coupled systems. This limits the usefulness of the resulting recommendations as pilot findings are required by February 2028 to demonstrate that electricity rates can be reduced from the Public Benefits Charge's associated with the Non-Contract Qualifying Facilities ("NCQF") of the Non-Bypassable Federally Mandated Congestion Charge ("NBFMCC"), to inform a permanent storage incentive program under Section 8. Other state deployment goals may also be impacted such as the Energy Storage Solutions Program and Multifamily

[1] https://www.cga.ct.gov/2026/ACT/PA/PDF/2026PA-00127-R00HB-05340-PA.PDF

Affordable Housing ("MFAH") projects as they need to have available any and all potential solar + storage connections so limiting projects to AC only would impact deployment.

A few potential solutions may be achievable without entirely disrupting deployment. A few of those potential solutions, in order of cost to participants, may include:

- Certified inverter firmware disaggregation, using separately logged PV and battery flows to meet requirements at no additional hardware cost. Deadlines for supplying this information to the utility may need to be established.
- DC-side revenue-grade metering potentially for new systems, using a pre-inverter meter where needed.

If deemed necessary, PURA could allow for multiple approaches such as the ones noted above or any other potentially feasible solution that could help with existing DC-coupled systems and new systems. UI's proposed approach to exclude DC-coupled systems from participation should not be adopted as it will likely impact state deployment goals.

4. <u>Other</u>

As noted above, per the recent passage of H.B. 5340 (i.e., now Public Act 26-127), Section 7 includes a $2MM pilot program for the Green Bank to reduce net metering costs associated with CGS 16-243h by deploying onsite battery storage systems for RSIP, RRES, and net metered systems. As the Green Bank begins to develop a pilot program that would demonstrate how the export rate of solar PV systems can be reduced through the installation of storage at up to 100 existing residential locations, the Green Bank would ask PURA's assistance (e.g., creating an unbiased forum for stakeholder engagement) in ensuring that the design of the pilot, and its subsequent findings, are useful in reducing electricity rates should the pilot prove effective and scalable.

The Green Bank greatly values the opportunity presented by PURA to submit Written Comments in RRES Docket No. 26-08-02.

Respectfully submitted,

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