STATE OF CONNECTICUT
PUBLIC UTILITIES REGULATORY AUTHORITY

DOCKET NO. 26-08-05
ANNUAL ENERGY STORAGE SOLUTIONS
PROGRAM REVIEW – YEAR 6

NOTICE OF REQUEST FOR WRITTEN COMMENTS
(July 9, 2026)

In 2021, the Public Utilities Regulatory Authority (Authority) established a statewide electric storage program, later re-named the Energy Storage Solutions Program (ESS Program or Program). Decision, July 28, 2021, Docket No. 17-12-03RE03, PURA Investigation into Distribution System Planning of the Electric Distribution Companies – Electric Storage (Storage Decision). Pursuant to Section IV.E. of the Storage Decision, the Authority conducts an annual proceeding to review key Program metrics and to make strategic adjustments to ensure: (1) continued alignment with the program objectives established in the Storage Decision; and (2) that the Program is on track to meet its deployment targets. This proceeding serves as the administrative record for the Authority's Year 6 Program review. The Authority may include additional relevant topics regarding Program implementation at its discretion.

NOTICE OF REQUEST FOR WRITTEN COMMENTS

To facilitate the Authority's evaluation of the Program, the Authority requests that docket participants and interested stakeholders file written comments on or before **4:00 p.m. on Thursday, July 9, 2026,** addressing the following:

1. Enrollment Incentive Clawback

During the Year 5 ESS annual review cycle, the Authority adopted Construct 5, which eliminated passive dispatch and significantly reduced upfront incentives in favor of a predominantly performance-based compensation structure. Decision, Dec. 17, 2025, Docket No. 25-08-05, Annual Energy Storage Solutions Program Review – Year 5 (Year 5 Decision), pp. 20–21. This construct was intended to minimize ratepayer exposure while better aligning participant compensation with realized system value. Id. Construct 5 does not include a clawback provision tied to participation in active dispatch, as active dispatch participation is not a condition for receipt of the enrollment incentive. Id., pp. 14-15.

Further, Section 3.7 of the ESS Program Manual provides that, once a customer who has received an enrollment incentive unenrolls from active dispatch, "there is no requirement to return any portion of the Enrollment Incentive." Motion No. 15, Jan. 6, 2026, Docket No. 25-08-05, Att. 2, p. 27.

In Section A of its January 13, 2026 ruling on Motion No. 15, the Authority directed The Connecticut Light and Power Company d/b/a Eversource Energy (Eversource), The United Illuminating Company (UI; collectively, with Eversource, the electric distribution companies or EDCs), and the Connecticut Green Bank (CGB; collectively, with the EDCs, the ESS Program Administrators) to implement a clawback mechanism for the enrollment incentive where participants disenroll from the ESS Program prior to the expiration of their 10-year term. Motion No. 15 Ruling, Jan. 13, 2026, Docket No. 25-08-05, p. 2.

The Authority determined that, although the enrollment incentive under Construct 5 is not conditioned on active dispatch participation, it is premised on continued participation in the ESS Program over the 10-year enrollment term. Id. Allowing a participant to retain the full enrollment incentive despite early disenrollment could undermine the structure and intent of Construct 5 by creating a potential incentive to enroll solely to obtain the upfront payment without delivering sustained ratepayer benefits. Id.

The ESS Program Administrators objected and filed a motion for reconsideration pursuant to General Statutes § 16-9. Motion No. 16, Jan. 21, 2026, Docket No. 25-08-05, p. 2. The ESS Program Administrators raised concerns regarding the feasibility and implementation of an enrollment incentive clawback requirement, including administrative burden and cost, the potential for customers to be subject to clawbacks due to circumstances beyond their control (such as manufacturer bankruptcy), and uncertainties associated with customer relocation or transfer of battery ownership. Id., pp. 3-4. The ESS Program Administrators requested that the issue be deferred to the Year 6 annual ESS Program review to allow for broader stakeholder input. Id., p. 4.

In light of these concerns, the Authority stayed Section A of its Motion No. 15 Ruling and indicated its intent to revisit the issue during the Year 6 annual ESS Program review. Motion No. 16 Ruling, Jan. 29, 2026, Docket No. 25-08-05, p. 3. The Authority further clarified that the absence of a clawback provision in the Year 5 Decision reflected a determination specific to dispatch participation requirements, rather than continued enrollment in the ESS Program. Id., p. 2; Year 5 Decision, pp. 14-15.

Accordingly, the Authority seeks stakeholder input on whether an enrollment incentive clawback should be implemented such that, if a project disenrolls prior to the conclusion of its 10-year enrollment term, a prorated portion of the enrollment incentive must be repaid. For example, a project that disenrolls after one year could be required to return 90% of the incentive. Consistent with prior determinations, any clawback could be conditioned solely on continued ESS Program enrollment and not on participation in active dispatch.

The Authority specifically requests comments on: (1) whether the expected ratepayer benefits of an enrollment incentive clawback mechanism outweigh the associated costs to participants and Program Administrators; (2) how responsibility for repayment should be allocated in cases of early disenrollment; and (3) whether such a requirement should apply universally or be limited to particular customer classes or incentive thresholds.

2. Front-of-the-Meter (FTM) Storage Tariff

During the Year 2 annual ESS Program review, the Authority convened an FTM Storage Working Group to develop a comprehensive set of FTM storage tariff and incentive design proposals for Authority consideration. Decision, Dec. 21, 2022, Docket No. 22-08-05, Annual Energy Storage Solutions Program Review – Year 2, p. 39.

Following that effort, the EDCs each developed Wholesale Distribution Access Tariffs (WDATs) to enable FTM storage resources to interconnect with the distribution system and participate in wholesale markets. EDC Compliance, Docket No. 22-08-05, Dec. 29, 2023. The EDCs subsequently filed their respective WDATs with the Federal Energy Regulatory Commission (FERC), which approved each proposal.[1]

However, the record in Docket No. 25-02-14, Renewable Energy Tariff Programs Successor Study, indicated that the WDAT framework is limited in scope. Specifically, the WDATs facilitate the sale of energy into wholesale markets but do not provide a mechanism for FTM storage resources to purchase energy from the EDCs at retail (i.e., the WDAT functions as a one-way tariff). PURA Corresp., Feb. 27, 2026, Docket No. 25-02-14, p. 106. In that proceeding, the Solar Energy Industry Association (SEIA) and New Leaf advocated for the development of a bidirectional time-of-use (TOU) retail rate applicable to standalone FTM storage. New Leaf Corresp., Sept. 23, 2025, Docket No. 25-02-14, p. 8; SEIA Comments, Sept. 10, 2025, Docket No. 25-02-14, p. 4. UI further noted that standalone storage is not currently eligible to participate in any existing retail TOU tariffs in Connecticut as a distinct resource class. UI Interrog. Resp. CAE-49, Docket No. 25-02-14, p. 2. Although the WDATs approved by FERC include TOU constructs, those provisions apply solely to wholesale transactions and do not establish retail rate structures. Id.

In light of these limitations, the Authority expressed interest in directing the EDCs, in a future proceeding, to develop retail TOU rates for standalone FTM storage to support its effective integration and operation. PURA Corresp., Feb. 27, 2026, Docket No. 25-02-14, p. 106.

Accordingly, the Authority seeks stakeholder input on the appropriate process for developing retail TOU rates for standalone FTM storage, as well as the key design features such rates should include. In particular, the Authority requests comment on issues such as: (1) rate structure (including the number and definition of TOU periods); (2) alignment with the EDCs' WDATs; (3) metering requirements; (4) eligibility criteria for participation: and (5) the stakeholder process and EDC timeline needed to develop and implement such rates.

The Authority notes that any retail TOU rates for standalone FTM storage developed through this or a separate proceeding would be revenue neutral. That is, such rates would not include incremental ratepayer-funded incentives to support FTM storage

[1] See FERC dockets ER24-3153-000 and ER24-2939, available at: https://elibrary.ferc.gov/eLibrary/search.

deployment, but would instead establish a functional retail rate structure that enables FTM storage resources to purchase energy from the EDCs where no such mechanism currently exists, while maintaining appropriate cost allocation and avoiding cross-subsidization among customer classes.

Dated at New Britain, Connecticut this 16th day of June, 2026.

By direction of the Presiding Officer,



Jeffrey R. Gaudiosi, Esq.
Executive Secretary