Date Submitted: August 28, 2026

CAE-039 Q:

Program Administrator Order No. 3 Compliance, August 3, 2026, Att. 2, p. 59. Explain why the EDCs consistently call substantially fewer active dispatch events than the maximum number permitted under the Program. In the response, address why this practice is appropriate given the Program's reduced ability to rely on the "insurance policy" provided by passive dispatch.

CAE-039 A:

While the Energy Storage Solutions ("ESS") Program ("the Program") establishes a maximum number of active dispatch events that may be called, the EDCs do not seek to exhaust the maximum number of allowable events each year. Instead, active dispatch events are strategically called during periods that are expected to coincide with the highest system load conditions and provide the greatest capacity and system value.

For battery resources in particular, active dispatch decisions are guided by the objective of achieving load reductions during the hours most likely to contribute to the ISO New England's annual system peak. Due to battery storage having a finite duration and limited number of high-value dispatch opportunities, utilizing the available capacity for times with the greatest likelihood of being among the top 30 summer peak periods generally delivers greater program value than increasing the total number of active dispatch events.

The removal of passive dispatch enrollments under Construct 5 does not change the fundamental operating strategy previously mentioned. Rather than relying on passive dispatch as an insurance policy and calling a larger number of active dispatch events, the EDCs focus on forecasting, peak-day identification, and strategic deployment of available battery capacity during the highest-value hours. Calling the maximum allowable number of events could result in battery capacity being deployed during lower-value hours and reduce the Program's overall ability to deliver demand reductions during the hours that ultimately drive capacity and system benefits.

Therefore, the number of active dispatch events called in each season reflects the actual need for demand response and prudent program administration, rather than hitting the maximum number of allowable events within the Program. This approach helps preserve continued customer engagement while also ensuring enrolled ESS assets remain available and are effective when demand reductions are required.