November 2, 2026

Jeffrey R. Gaudiosi, Esquire
Executive Secretary
Public Utilities Regulatory Authority
10 Franklin Square
New Britain, CT 06051

Re: Docket No. 26-08-05, Annual Energy Storage Solutions Program Review – Year 6 – Motion for Review and Approval in Compliance with Order No. 17

Docket No. 25-08-05, Annual Energy Storage Solutions Program Review – Year 5 – Motion for Review and Approval in Compliance with Order No. 17

Dear Mr. Gaudiosi:

The Connecticut Light & Power Company d/b/a Eversource Energy ("Eversource"), the Connecticut Green Bank ("Green Bank"), and The United Illuminating Company ("UI"; together with Green Bank and Eversource, the "PAs") submit the attached Motion to the Public Utilities Regulatory Authority ("PURA"), in compliance with Order No. 17 of the Final Decision issued on December 17, 2025, in the captioned docket.

Please do not hesitate to contact the undersigned if you have any questions concerning this filing. The undersigned certify that a copy of this filing was served on all parties on this service list in this proceeding on this date.

Sincerely,

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STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY

ANNUAL ENERGY STORAGE SOLUTIONS PROGRAM REVIEW – YEAR 6	:	**DOCKET NO. 26-08-05**
		NOVEMBER 2, 2026

COMPLIANCE WITH ORDER NO. 17 AND MOTION FOR WAIVER OF CUSTOMER CLAWBACK FEES

I. INTRODUCTION

The Connecticut Green Bank ("Green Bank"), The Connecticut Light & Power Company d/b/a Eversource Energy ("Eversource"), and The United Illuminating Company ("UI"; together with Green Bank and Eversource, the "Program Administrators" or "PAs") respectfully submit to the Public Utilities Regulatory Authority ("PURA" or "the Authority") this compliance with Order No. 17 in the Final Decision issued on December 17, 2025 in Docket No. 25-08-05 (the " Year 5 Final Decision" or "Final Decision") and Motion for Waiver of Customer Clawback Fees in compliance with Order No. 17.

Specifically, Order No. 17 states:

> *No later than November 1, 2025, and annually thereafter, the Program Administrators shall submit in the relevant annual review proceeding all recommended clawback fee waivers for Authority approval annually. This submission must include: (1) the total number and percentage of projects for which clawback fee waivers are recommended, categorized by residential and commercial sectors, as well as by battery manufacturer and contractor; (2) a clear and detailed rationale for each recommended fee waiver; and (3) an updated RIM score, illustrating the impact of waiving and not waiving clawback fees for the respective projects. All requests for clawback fee waivers shall be consolidated into a single motion for review and approval, rather than be submitted as separate filings for each waiver. Lastly, the Program Administrators shall first apply any clawback fees against a project's eligible performance incentive payments before pursuing direct collection from the customer.*

The Energy Storage Solutions ("ESS") PAs submit the attached supporting documentation entitled, Attachment 1. The PAs request that PURA accept this filing in full compliance with Order No. 17 and direct the PAs to move forward with one or a combination of clawback fee waiver considerations as described in this Motion. Attachment 1 is provided to help PURA decide as this file categorizes the issues systems experienced when providing passive dispatch in summer of 2026. The PAs recommend that PURA consider one or more approaches that minimize administrative costs, maintain Original Equipment Manufacturer ("OEM") and third-party accountability, preserve customer participation, and maintain the Program's cost-effectiveness as ESS continues to transition to an active dispatch-only incentive structure.

II. PASSIVE DISPATCH DATA

The Energy Storage Solutions Program began in January of 2022 with the passage of Public Act 21-53 in June of 2021, subsequent final decision by PURA in Docket No. 17-12-03RE03 in December of 2021 (i.e., establishing the passive and active incentive structure), and change in incentives in the final decision by PURA in Docket No. 22-08-05 in December of 2022 (i.e., addition of active only incentive structure). In the 2026 Summer season, there were 738 residential and commercial and industrial ("C&I") customers enrolled in the "Active and Passive" track. See Table 1 below for the breakdown by residential and C&I.

Table 1. End-Use Customers within Passive Dispatch Summer Season (2026)

End-Use Customers	**2026**		
	#	**kW**	**kWh**
Residential	731	10,412	18,755
Non-Residential	7	1,132	4,216
Total	**738**	**11,544**	**22,971**

Table 2. Passive Dispatch Performance in 2026, including clawbacks

End-Use Customers	2026	
	Not Meeting 90% Participation Threshold (#)	Percentage of Total Participating Projects (%)
Residential	271	37%
Non-Residential	5	71%
Total	276/738	37%
Full Potential Clawback Fees ($'s)	**$74,289**	

Additionally, SunPower customers are addressed in PURA's Year 5 Final Decision which states, "In the interim, as discussed in Section IV.C., Upfront Incentive Clawback fees, the clawback fee will be temporarily waived for inoperable ESS batteries, including SunPower's systems. This waiver will remain in effect until a viable technical or administrative solution is implemented to restore system operability and visibility in the EDCs' DERMS platforms". As a result, SunPower customers remain exempt from clawback fee obligations while their systems are unable to participate in dispatch events, due to circumstances outside their control and are not included in the considerations discussed later.

Table 3. Passive Dispatch Clawback, With SunPower Systems removed

	2026
Full Potential Clawback fees ($'s) ***With SunPower Systems Removed***	**$40,229**

Passive dispatch performance is still improving year-over-year. This year FranklinWH, the OEM that has the largest number of projects in the summer 2026 Passive + Active season has an average fleet performance score of 93% across 383 projects. Enphase Energy, the second largest OEM

participating in summer 2026 dispatch, has an average fleet performance score of 87% across 133 projects. For more granular and up-to-date data, see the Program's data dashboard, which is updated daily on the Energy Storage Solutions Performance Report[1]. Despite improved performance, in summer 2026, the full potential prorated clawback fees for systems that failed to meet the 90% threshold[2] is $74,289. Of that total, the full prorated clawback fees for C&I systems that failed to meet the 90% threshold are $6,085 and the full prorated clawback fees for residential homeowners are $68,204.

The ESS Program data provided for this filing is as of October 30, 2026, from EnergyHub, Eversource's residential Distributed Energy Resource Management System ("DERMS") provider and as of October 30, 2026, from Uplight, United Illuminating's residential and C&I "DERMS platform as well as Eversource's C&I DERMS provider. The results that are presented in this motion and Attachment 1 are as of the dates noted above. Both Uplight and EnergyHub have relayed that all battery data has been ingested and there are no additional backfills required. If any data issues are discovered at a later time, it can impact passive clawback fees and estimated Active payment calculations.

During the 2026 Summer season, it became clear that some OEMs and/or DERMS had not correctly programmed systems to collect the data points necessary to properly calculate passive dispatch compliance under the passive dispatch compliance formula. As an example, for some systems, no value for indicating "available energy" at the beginning of a passive interval was available or was available but was erroneous. Where data quality issues prevented the calculation

[1] https://energystoragect.com/ess-performance-report/

[2] https://www.dpuc.state.ct.us/dockcurr.nsf/4b3c728dd1c0d642852586db0069aa70/5dfd10f7c319dfec85258be90050bf9c/$FILE/240805-120424.pdf

of a passive score for a given event, the battery system was assigned a score of 0 by Green Bank. In many cases defaulting to scores of 0 when data was insufficient or defective resulted in lower passive dispatch participation scores, and scores improved steadily as more complete datasets were ingested by the Green Bank system.

There are several issues that continue to impact the data integrity for the 2026 season:

- Missing Telemetry Data Intervals;
- Telemetry Data Spikes, erroneous outlier intervals with values either exceeding nameplate ratings or otherwise exceeding the capabilities of the Battery Energy Storage System ("BESS");
- Sign reversal from convention on telemetry power and energy values as well as discrepancies between power/energy dispatch telemetry values and change in stored energy telemetry values.

As these data issues continue to be resolved, there are other issues that impact these systems such as software, programming, or hardware issues that impact a customer's participation during the 2026 season. In some instances, systems needed a part for repair, and that part can take some time to arrive and then time to get scheduled for install. The 90% compliance threshold leaves little room for downtime, making it difficult for customers to recover from such issues before the next performance window opens. Another example that impacts passive dispatch participation is when a customer opts out of active events. Some customers experienced reduced passive dispatch compliance scores due to opting out of active dispatch events, which affected their overall passive dispatch compliance.

The Evaluation, Measurement, and Verification ("EM&V") Consultant, Customized Energy Solutions ("CES"), independently vetted the interpretation and application of passive dispatch scoring as applied by the Green Bank for the clawback fees waiver analysis conducted in Docket No. 25-08-05. At that time, CES also independently produced scores that were consistent with those produced by the Green Bank. CES has discussed and supports minor improvements to the

scoring methodology implemented by the Green Bank in their calculations reflected in this submission.

Most of the data for the 2026 season was supplied by OEMs, processed through the DERMS platforms, then analyzed by the Green Bank. While the Active dispatch performance data is deemed complete by the DERMS as of end of October, Eversource does not receive full payment and performance data files for QA/QC until at minimum, 4-6 weeks after the season concludes. Hence, while UI has largely completed data QA/QC, Eversource has not received full payment files to process and QA/QC end of the season data.

III. IMPACTS ON THE RATEPAYER IMPACT MEASURE ("RIM")

The RIM for the ESS program is 1.54 with waiving the full potential clawback fees amount of $74,289, without any estimated active payments applied, which is .01 lower than the current RIM for the Program[3]. If waiving the SunPower customer's clawback fees of $34,060, or waiving none of the clawback fees, the RIM would be 1.55, which is the current RIM for the Program and above the 1.4 RIM threshold. The minimal impact of clawback fees waivers on the RIM is due to the following reasons:

- Only a small portion of the total MW of resources represented in the BCA model (60.2. MW) are subject to a potential clawback fees waiver in this filing
- Only 10% of a project's upfront incentive is subject to a clawback fee in a given year, and is allowed to be prorated given the new methodology approved by PURA from the 2024 Final Decision[4], meaning in some instances, it is even less than 10%
- Any performance at all during passive dispatch events increases a participant's passive dispatch score, which, in turn, reduces the RIM impact of waiving clawback fees

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3 https://www.dpuc.state.ct.us/dockcurr.nsf/8e6fc37a54110e3e852576190052b64d/3a211a9dac920e6d85258e4800647124/$FILE/Attachment%202%20Docket%2026-08-05%20Order%203%20CT%20Energy%20Storage%20Solutions%20Annual.pdf

4 https://www.dpuc.state.ct.us/dockcurr.nsf/4b3c728dd1c0d642852586db0069aa70/5dfd10f7c319dfec85258be90050bf9c/$FILE/240805-120424.pdf

IV. CLARIFICATION OF TREATMENT OF ACTIVE DISPATCH PERFORMANCE INCENTIVE FEES

If clawback fees are directed, the PAs also respectfully request that PURA clarify the treatment of the OEM portion of customer performance incentives, also known as OEM fees. As background, there are presently two OEMs in the Program that take a percentage of the customer's earned performance incentive payments regardless of the amount of performance incentive payments. Since PURA has directed that passive dispatch fees should be taken first from Customer performance incentive payments, the PAs need clarity on whether to apply the clawback fees to the gross performance incentive amount, and then allocate the fee to the OEM, or apply it to the net performance incentive amount after the OEM fee is removed from the gross performance incentive. The PAs recommend the former.

The PAs also note that PURA could decide that no OEM may retain ANY active dispatch performance incentive fees associated with any customers subject to a clawback fee. This approach would also create a stronger financial incentive for OEMs and third-party operators to maintain system connectivity, resolve performance deficiencies, and improve dispatch participation in subsequent seasons.

In the Year 5 Final Decision, PURA recognized that customers often bear the financial consequences of nonperformance even when OEMs or third-party operators are responsible for system programming and dispatch capabilities. The Authority declined to adopt the PAs' proposal to reduce clawback fee amounts proportionally based on vendor fees, citing concerns regarding ratepayer protections and the potential creation of unintended incentives. However, the Final Decision did not expressly resolve the order in which operator fees should be deducted relative to clawback fee offsets or authorize the elimination of such fees. Accordingly, the PAs request that

PURA clarify the appropriate treatment of active dispatch performance incentive fees, including any limitations necessary to preserve existing contractual rights.

V. THE PAs PROPOSE POTENTIAL CLAWBACK FEE WAIVER CONSIDERATIONS

In its December 17, 2025, Final Decision in Docket No. 25-08-05, the Authority recognized the challenges associated with passive dispatch compliance, including circumstances in which customers may be subject to financial penalties resulting from OEM or third-party performance failures outside their control. The Authority further acknowledged the importance of balancing customer protections, administrative efficiency, and ratepayer interests when determining appropriate clawback fees recovery mechanisms. From a RIM perspective, the implementation or waiving of clawback fees appears to have minimal impact whether all clawback fees are waived or not for summer of 2026.

The PAs submit the following approaches for consideration, recognizing that certain alternatives may require clarification or modification of the recovery framework established in the Year 5 Final Decision.

- **Waive Clawback Fees with Justification**

PURA waives all PA recommended upfront incentive clawback fee amounts for the summer 2026 season as noted in Attachment 1. The PAs have provided a rationale in Attachment 1 for each system, in addition to the SunPower systems, that PAs believe should be exempt from a 2026 clawback fee because the reason for their non-compliance can be identified and appears justified for this season. The remaining total clawback collected from Program participants would be $25,847, of which an estimated $19,455 (approximately 75%) would attempt to be collected through withheld performance payments if no OEMS or third-party fees are applied.

- **Additional Consideration: Waive Clawback Fee Amounts Below $100**

PURA directs the PAs to waive individual customer clawback fee amounts of less than $100 when the administrative costs associated with recovery are reasonably expected to exceed the amounts collected. Green Bank estimated the labor cost to implement a clawback fee would range from $700-$1400 depending on the degree of complexity involved[5]. While certainly subtracting a clawback fee from an Active Dispatch payment will take very little time, there is still the matter of customer communications.

This approach would establish a minimum collection threshold to avoid unnecessary administrative expenses associated with customer communications, account reconciliation, payment processing, and ongoing collection efforts. The PAs would continue to report the total number of waived clawback fees and the associated financial impacts through the applicable annual compliance filing.

The Year 5 Final Decision acknowledges the importance of minimizing unnecessary administrative burdens while preserving Program value.

Although the Final Decision does not establish a minimum clawback fee collection threshold, a $100 waiver threshold would provide a practical mechanism for avoiding recovery activities that may cost more to administer than the amounts collected.

VI. CONCLUSION

The PAs respectfully request that PURA provide clarification regarding the OEM and third-party Active Dispatch Performance Incentive Fees and weigh one or more of these considerations in determining the appropriate treatment of outstanding upfront incentive clawback fees.

[5] DN 26-08-05 Questions Answered CAE-9, Submitted August 28, 2026.

The Program Administrators respectfully submit the following alternatives for the Public Utilities Regulatory Authority's consideration in establishing the treatment and recovery of outstanding upfront incentive clawback fee amounts under the Energy Storage Solutions Program.

Respectfully submitted,

THE CONNECTICUT LIGHT AND POWER COMPANY D/B/A EVERSOURCE ENERGY

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CERTIFICATE OF SERVICE

I hereby certify that on this day a copy of the foregoing was sent to the official service list in this proceeding in compliance with Conn. Regs. § 16-1-15, as amended.

Brian Farnen