Connecticut Green Bank
Docket No. 26-08-05
Response to Interrogatory CAE-4
Date of Submission: July 9th, 2026
Witness: Connecticut Green Bank - Sergio Carrillo

Question:

CAE-4 Year 5 Decision, pp. 25-29. Provide an update on the status of CGB Proposals 1 and 2, including whether CGB still intends to proceed with one or both proposals and, if so, the anticipated implementation timeline for each.

Response:

This spring, the Connecticut Green Bank ("Green Bank") retained Journey Catalyst, a market research and customer experience strategy consultant, to conduct an independent assessment (included with this response as CAE-4 Attachment 1 Connecticut Residential Energy Storage Solutions Market Assessment) of the current residential energy storage market in Connecticut and to inform the Green Bank's evaluation of potential next steps under the Energy Storage Solutions (ESS) Program that may lead to increased battery adoption. The engagement was initially structured to assess whether a Green Bank-supported financing concept (Proposal 1 and Proposal 2) could help accelerate residential storage deployment in the absence of a large upfront incentive. As the work progressed, however, the stakeholder feedback indicated that financing, while relevant, is not the sole or primary barrier limiting market adoption.

The consultant's assessment, which will be a Green Bank non-recoverable cost, was based on a series of interviews and synthesis across multiple stakeholder groups, including homeowners, residential solar and storage contractors, original equipment manufacturers (OEMs), third-party ownership (TPO) providers, battery energy storage system (BESS) operators, utilities, academic experts, and other solar and storage market participants. The purpose of the work was not to perform a formal audit or engineering review, but rather to develop a market assessment and customer journey analysis that would help identify the practical barriers affecting residential storage deployment, enrollment, activation, operation, and customer understanding.

The resulting report found that the residential storage market has meaningful underlying value for both customers and the grid, but that the Connecticut battery storage market is not yet mature enough to consistently deliver that value at scale. In particular, the report highlighted barriers beyond financing, including contractor sales friction, customer confusion regarding the storage value proposition, enrollment and activation complexity, interconnection and utility process challenges, technology and data integration issues, limited performance visibility for customers, and fragmented accountability among multiple market actors. The report also noted that the transition to a primarily performance-based compensation structure can make the value of the Program more difficult for customers and contractors to understand and use at the point of sale.

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Based on these findings, the Green Bank views the market research as an important supplement to its evaluation of Proposals 1 and 2. The report suggests that any financing-related solution should be considered within a broader market-building strategy that makes ESS easier to sell, easier for customers to understand, easier to enroll in, easier to operate, and easier to verify. Accordingly, the Green Bank continues to evaluate whether and how financing tools may support the Program, while also recognizing that sustained Program success will depend on operational improvements, contractor and customer education, clearer market pathways for eligible third-party ownership and OEM participation, improved data and performance visibility, and sufficient regulatory stability for market participants to adapt to the current Program design.

At this time, Green Bank is not ready to proceed with implementation of one or both proposals. Additional internal review and coordination are needed to assess feasibility, timing, and any potential program impacts before a final determination can be made. Green Bank will provide an update once it is prepared to confirm whether it intends to move forward and, if so, the anticipated implementation timeline.