225 CMR 21.00: CLEAN PEAK ENERGY PORTFOLIO STANDARD (CPS)

Section

21.01: Purpose and Application

The purpose of 225 CMR 21.00 is to establish a Clean Peak Energy Portfolio Standard to increase clean energy during the periods when Net Demand of electricity is the highest. Clean Peak Resources contribute to the Commonwealth's environmental protection goals concerning air emissions including, but not limited to, those required by the Global Warming Solutions Act, M.G.L. c. 21N, §§ 1-9, by displacing nonrenewable generating resources during Seasonal Peak Periods, while also having added benefits of reducing peak demand and system losses and increasing grid reliability. Clean Peak Resources that participate in the CPS program pursuant to 225 CMR 21.00 do so on a voluntary basis, but must comply with the terms and requirements of 225 CMR 21.00.

21.02: Definitions

Actual Monthly System Peak. The highest net demand for electricity in a calendar month in ISO-NE Control Area.

Aggregation. A group of one or more Clean Peak Resources that receives a single Statement of Qualification from the Department under the criteria and procedures set forth in 225 CMR 21.05.

Alternative Compliance Credit. A credit obtained by a Retail Electricity Supplier upon making an Alternative Compliance Payment. Such credit is used to document compliance with 225 CMR 21.07. One unit of credit shall be equivalent to one Clean Peak Energy Certificate.

Alternative Compliance Payment (ACP). A payment of a certain dollar amount per Clean Peak Certificate, resulting in the issuance of an Alternative Compliance Credit, which a Retail Electricity Supplier may submit to the Department in *lieu* of providing a Clean Peak Energy Certificate as required under 225 CMR 21.07.

Authorized Agent. A person or entity that serves under an agreement entered into by each of the Owners of a Clean Peak Resource for all dealings with the Department and with the NEPOOL GIS.

Business Day. Monday through Friday, exclusive of state and federal legal holidays.

Clean Peak Energy Certificate (CPEC). A credit received for each megawatt hour of energy or energy reserves at NEPOOL GIS that is adjusted by applicable Clean Peak Energy Certificate Multipliers and provided during a Seasonal Peak Period that represents a compliance mechanism.

Clean Peak Energy Certificate Multipliers. Values which, when applicable, are multiplied against Clean Peak Resource's performance, thereby increasing or decreasing the number of Clean Peak Energy Certificates produced in a given time period.

(Mass. Register #1576, 06/19/2026, emergency reg.)

21.02: continued

Clean Peak Resource. A Qualified RPS Resource, a Qualified Energy Storage System or a Demand Response Resource that generates, dispatches or discharges electricity to the electric distribution system during Seasonal Peak Periods, or alternatively, reduces load on said system during said periods.

Clean Peak Seasons. The four seasons of the year as established in 225 CMR 21.05.

Commercial Operation Date. The date that a Clean Peak Resource first produces or provides electrical energy for sale. In the case of a Clean Peak Resource that is connected to the End-use Customer's side of the electric meter, the date on which the local Distribution Company grants approval for the Clean Peak Resource to interconnect with the grid. In the case of a Demand Response Resource, the date on which the resource first changes electric usage.

Compliance Filing. A document filed annually by a Retail Electricity Supplier with the Department documenting compliance with 225 CMR 21.07, consistent with the format set forth in the Guidelines and submitted no later than the first day of July, or the first Business Day thereafter, of the subsequent Compliance Year.

Compliance Year. A calendar year beginning January 1st and ending December 31st, for which a Retail Electricity Supplier must demonstrate that it has met the requirements of 225 CMR 21.07 and 21.08.

Contracted Resource. A Clean Peak Resource that:

(a) Has received a Statement of Qualification as a Solar Tariff Generation Unit pursuant to 225 CMR 20.00 or 225 CMR 28.00; or,

(b) Has a contract with a Distribution Company that has been approved by the Massachusetts Department of Public Utilities pursuant to St. 2008, c. 169, §§ 83, 83A or 83C.

Control Area. A geographic region in which a common generation control system is used to maintain scheduled interchange of electrical energy within and without the region.

Demand Response Resource. A resource that has received a Statement of Qualification from the Department, which changes electric usage by retail end-use customers in the Commonwealth from their normal consumption patterns in response to:

(i) changes in the price of electricity over time including, but not limited to, time-of-use rates for residential and small commercial and industrial customers; or

(ii) incentive payments designed to induce lower electricity use at times of high wholesale market prices or when system reliability is jeopardized.

Department. The Massachusetts Department of Energy Resources, established by M.G.L. c. 25A.

Distribution Company. A company engaging in the distribution of electricity or owning, operating or controlling distribution facilities as defined in M.G.L. c. 164, § 1; provided, however, a Distribution Company shall not include a municipal lighting plant established pursuant to the provisions of M.G.L c. 164.

Distribution System. The electric system, owned and operated by a Distribution Company and/or a municipal lighting plant typically operated at voltages below 69 kilovolts, which provides distribution service as defined in M.G.L. c. 164, § 1.

DPU. The Massachusetts Department of Public Utilities, established by M.G.L. c. 25, § 1.

End-use Customer. A person or entity in Massachusetts that purchases electrical energy from a Distribution Company.

Existing Resource. A Clean Peak Resource that has a Commercial Operation Date before January 1, 2019.

21.02: continued

SMART ES Resource. A Clean Peak Resource that is an energy storage system which is paired with a qualified Solar Tariff Generation Unit in the SMART Program or SMART 3.0 Program which receives the SMART Program energy storage adder.

Solar Massachusetts Renewable Target (SMART) Program. The solar incentive program established pursuant to 225 CMR 20.00.

Solar Massachusetts Renewable Target (SMART) 3.0 Program. The solar incentive program established pursuant to 225 CMR 28.00.

Standalone Qualified Energy Storage System (Standalone QESS). A Qualified Energy Storage System (QESS) that serves no associated on-site load other than parasitic load or station load utilized to operate the QESS.

Statement of Qualification. A document issued by the Department that qualifies a Clean Peak Resource under 225 CMR 21.00.

Transmission System. The electric system established for the delivery of power over lines that operate at a voltage level typically equal to or greater than 69,000 volts, which provides transmission service as defined M.G.L. c. 164, § 1.

21.03: Administration

225 CMR 21.00 shall be administered by the Department.

21.04: Applicability

225 CMR 21.00 applies to Retail Electricity Suppliers and to the Owners and Operators of Clean Peak Resources.

21.05: Eligibility Criteria for Clean Peak Resources

(1) Eligibility Criteria. A Clean Peak Resource may qualify for a Statement of Qualification subject to the limitations in 225 CMR 21.05. The Department shall publish a Guideline on Clean Peak Resource Eligibility that explains the parameters of eligibility requirements.

(a) Energy Resources and Technologies. The Clean Peak Resource shall use one or more of the energy resources or technologies listed in 225 CMR 21.05(1)(a)1. through 3. The Clean Peak Resource shall be interconnected with or offset load otherwise served by the Distribution System, or shall be interconnected with the Transmission System in the Commonwealth of Massachusetts. Clean Peak Resources must demonstrate that they generate, dispatch, or discharge electricity to the electric distribution system in Massachusetts. Resources interconnected within the service territory of a municipal lighting plant shall be ineligible to generate Clean Peak Energy Credits under 225 CMR 21.00 as municipal lighting plants are exempt from the requirements of the Clean Peak Standard pursuant to M.G,L, c. 25A, § 17(d).

1. Qualified RPS Resources.

a. RPS Class I Renewable Generation Units with a Commercial Operation Date on or after January 1, 2019 that have received a Statement of Qualification and meet all other applicable requirements.

b. RPS Class I Renewable Generation Units and RPS Class II Renewable Generation Units with a Commercial Operation Date prior to January 1, 2019, that are co-located with a Qualified Energy Storage System that has a Commercial Operation Date on or after January 1, 2019, subject to the following:

21.05: continued

i. Minimum Nominal Rated Power. The nominal rated power capacity of a Qualified Energy Storage System paired with a RPS Class I Renewable Generation Unit or RPS Class II Renewable Generation Unit must be at least 25% of the nameplate power rating of the RPS Class I Renewable Generation Unit or RPS Class II Renewable Generation Unit.

Special Provisions for De-rated Qualified Energy Storage Systems paired with RPS Class I Renewable Generation Units and RPS Class II Renewable Generation Units. A Qualified Energy Storage System's nominal rated power capacity may be de-rated to meet the four hour minimum nominal useful energy requirements in 225 CMR 21.05(1)(a)1.b.i. provided its de-rated power capacity is still at least 25% of the nameplate power rating of the RPS Class I Renewable Generation Unit or RPS Class II Renewable Generation Unit with which it is paired.

ii. Minimum Nominal Useful Energy. The nominal useful energy capacity of the Energy Storage System must be at least four hours at the nominal rated power.

iii. Co-location. The RPS Class I or Class II Renewable Generation Unit and the Qualified Energy Storage System must be located on the same or adjacent parcels within the same Distribution Company's service territory, and must be interconnected to the same common collector located on the same parcel(s) on which the RPS Class I or Class II Renewable Generation Unit and Qualified Energy Storage System facilities are located.

2. Qualified Energy Storage Systems: A Qualified Energy Storage System must operate primarily to store and discharge renewable energy as demonstrated by one or more of the following factors:

a. Co-location with a Qualified RPS Resource as defined in 225 CMR 21.02 where the Qualified RPS Resource must have a nameplate capacity of at least 75% of the nameplate capacity of the energy storage;

b. Contractual pairing with a Qualified RPS Resource that demonstrates to the Department's satisfaction that the Qualified Energy Storage System operates primarily to store and discharge renewable energy;

c. Charging coincident with periods of typically high renewable energy production as a percent of the grid generation mix as defined below;

1. Spring: 12:00 A.M. until 6:00 A.M. and 8:00 A.M. until 4:00 P.M.
2. Summer: 12:00 A.M. until 6:00 A.M. and 7:00 A.M. until 2:00 P.M.
3. Fall: 12:00 A.M. until 6:00 A.M. and 9:00 A.M. until 3:00 P.M.
4. Winter: 12:00 A.M. until 6:00 A.M. and 10:00 A.M. until 3:00 P.M.

	Energy Storage Charging Windows	
Clean Peak Season	**Wind-based Charging Hours**	**Solar-based Charging Hours**
Spring	12:00 A.M. - 6:00 AM	8:00 A.M. - 4:00 P.M.
Summer	12:00 A.M. - 6:00 AM	7:00 A.M. - 2:00 P.M.
Fall	12:00 A.M. - 6:00 AM	9:00 A.M. - 3:00 P.M.
Winter	12:00 A.M. - 6:00 AM	10:00 A.M. - 3:00 P.M.

d. Inclusion of an operational schedule in the Qualified Energy Storage System's Interconnection Service Agreement demonstrating that the Qualified Energy Storage System serves to resolve load flow or power quality concerns otherwise associated with intermittent renewable energy resources.

3. Demand Response Resources: Demand Response Resources must demonstrate that changes to electric usage from their normal consumption patterns are measurable and verifiable. The Department shall publish a Guideline on Demand Response Resources to explain the parameters of Demand Response Resources in the Clean Peak Standard.

A facility that generates electricity, including a Qualified RPS Resource, shall not be considered a Demand Response Resource.

21.05: continued

(2) Metering. A Clean Peak Resource shall meter and report 15-minute interval performance in compliance with standards and protocols as established by a third-party Program Administrator designated by the Department. The Department may grant an exception to the 15-minute interval and designate a shorter or longer interval on a case-by-case basis. The Program Administrator shall be the designated independent third-party meter reader, as defined in Rule 2.5(j) of the NEPOOL GIS Operating Rules, or any successor rule. All standards and metering protocols shall be subject to review and approval by the Department. A Clean Peak Resource shall submit metered data to the Program Administrator for all hours of the previous month. Subject to review and approval by the Department, the Program Administrator may assess Clean Peak Resources a fee associated with the administration of the CPS.
The electrical energy output or performance of a Clean Peak Resource shall be verified by the Program Administrator for the purpose of calculating the number of Clean Peak Energy Certificates a qualified resource produced in the previous month. The Program Administrator shall report the number of Clean Peak Energy Certificates each qualified resource is due to receive to NEPOOL GIS for the purpose of minting Clean Peak Energy Certificates.

(3) Clean Peak Seasons.
(a) The four Clean Peak Seasons are established as:
1. Spring: March 1st through May 14th;
2. Summer: May 15th through September 14th;
3. Fall: September 15th through November 30th;
4. Winter: December 1st through February 28th; and as adjusted by leap years.

(4) Seasonal Peak Periods. The Seasonal Peak Periods establish the time of day in which a qualified resource produces Clean Peak Energy Certificates.
(a) The Seasonal Peak Periods are established as the periods of all Business Days in each Clean Peak Season that historically coincide with Massachusetts' peak electricity demand:
1. Spring: from 5:00 P.M. until 9:00 P.M.
2. Summer: from 4:00 P.M. until 8:00 P.M.
3. Fall: from 4:00 P.M. until 8:00 P.M.
4. Winter: from 4:00 P.M. until 8:00 P.M.

(5) Clean Peak Energy Certificate Generation. Clean Peak Energy Certificates generated by a Clean Peak Resource shall be equal to the sum of the metered average MW performance of a Clean Peak Resource for each hour during a Seasonal Peak Period, multiplied by the Seasonal Multiplier, and any other applicable multipliers as described in 225 CMR 21.05(6)(c) through (g), plus the metered average MW performance during the Hour of Actual Monthly System Peak Demand, multiplied by the Seasonal Multiplier, the Actual Monthly System Peak Multiplier, and any other applicable multipliers as described in 225 CMR 21.05(6)(c) through (g).

(6) Clean Peak Energy Certificate Multipliers. The Clean Peak Energy Certificate Multipliers shall modify the number of Clean Peak Energy Certificates that a Clean Peak Resource generates as follows:
(a) Seasonal Multiplier. Seasonal multipliers are established for each Clean Peak Season to reflect the level of emissions and magnitude of peak demands in a season. Seasonal Multipliers shall be:
a. Spring: 1
b. Summer: 4
c. Fall: 1
d. Winter: 4
(b) Actual Monthly System Peak Multiplier. The Actual Monthly System Peak Multiplier shall modify the number of Clean Peak Energy Certificates generated during the Hour of Actual Monthly System Peak. The multiplier shall be 25.
(c) Resilience Multiplier. The Resilience Multiplier modifies the number of Clean Peak Energy Certificates generated by a Clean Peak Resource that is also a Resilient Facility and can provide electric power to a load during external outage conditions. Clean Peak Resources that can demonstrate the added ability to provide electricity to load during an external outage will receive a Resilience Multiplier on all eligible output occurring during Seasonal Peak Periods. The multiplier shall be 1.5.

21.05: continued

(d) Existing Resource Multiplier. The Existing Resource Multiplier modifies the number of Clean Peak Energy Certificates generated by an Existing Resource. The multiplier shall be 0.1.

(e) Contracted Resource Multiplier. The Contracted Resource Multiplier modifies the number of Clean Peak Energy Certificates generated by a Contracted Resource. The multiplier shall be 0.01.

(f) SMART ES Resource Multiplier. The SMART ES Resource Multiplier modifies the number of Clean Peak Energy Certificates generated by a SMART ES Resource. The multiplier shall be 0.3.

(g) Distribution Circuit Multiplier. The Department may establish a Distribution Circuit Multiplier that modifies the number of Clean Peak Energy Certificates generated by a Clean Peak Resource based on the locational value of the unique load profile and particular needs of each distribution circuit, as defined by the Department, in consultation with the Distribution Companies. Clean Peak Resources which are owned by a Distribution Company are not eligible for a Distribution Circuit Multiplier. The Department may consider Distribution Circuit Multipliers greater than or less than one. The Department, in coordination with the Distribution Companies, shall determine whether sufficient data is available to enable effective implementation of a Distribution Circuit Multiplier no later than December 31, 2022. If the Department determines that a Distribution Circuit Multiplier shall be established, the Department shall publish a Guideline on the Distribution Circuit Multiplier that provides the multiplier amount(s) and explains the parameters of the applicability of the Distribution Circuit Multiplier.

(h) Near-term Resource Multiplier. The Near-term Resource Multiplier modifies the number of Clean Peak Energy Certificates generated by a Standalone QESS that is not co-located with a Qualified RPS Resource or a Demand Response Resource and is interconnected to the Distribution System. The Qualified Energy Storage System must not have received a Statement of Qualification on or before January 1, 2025, and must have a Commercial Operation Date before January 1, 2027. No Qualified Energy Storage System shall receive both the Distribution Circuit Multiplier and the Near-term Resource Multiplier. The Department shall set an initial eligibility cap for the Near-term Resource Multiplier of 50 MW of cumulative Qualified Energy Storage System capacity. After notice and opportunity for public comment, the Department may increase this cap in the future. No individual or affiliated Owner, Operator, or Authorized Agent may qualify for greater than 50% of the capacity designated by the Department. The multiplier shall be two for years one through ten from the Qualified Energy Storage System's effective date on its Statement of Qualification, provided that no energy discharged from a Qualified Energy Storage System shall have its Clean Peak Energy Certificates modified by the multiplier after the deadline specified under 225 CMR 21.05(6)(h)2. The Department may publish a guideline that explains the parameters of the applicability of the Near-term Resource Multiplier.

1. Extension to Commercial Operation Date Requirement for Good Cause. A Qualified Energy Storage System subject to the requirement to have a Commercial Operation Date before January 1, 2027 under 225 CMR 21.05(6)(h) may request an extension for good cause. Any request for an extension for good cause under this provision shall include evidence of a good faith effort to achieve a Commercial Operation Date of January 1, 2027 and evidence of delays outside the Owner, Operator, or Authorized Agent's control, including, but not limited to, supply-chain constraints and interconnection delays.

2. Expiration of Near-term Resource Multiplier. No energy discharged from a Qualified Energy Storage System shall have the associated number of Clean Peak Energy Certificates modified by the Near-term Resource Multiplier after December 31, 2036.

(i) Review. Beginning in 2024 and not less frequently than every four years thereafter, the Department shall conduct a review of the Clean Peak Energy Certificate Multipliers and, following stakeholder review and input, may modify the multipliers.

21.05: continued

(7) Special Provision for Clean Peak Energy Certificate Generation for Energy Reserves.

(a) The Department may establish a mechanism by which Clean Peak Energy Certificates may be generated by provision of energy reserves, subject to applicable requirements including, but not limited to, such provision of energy reserves being directly measurable and verifiable in accordance with 225 CMR 21.05(2). The Department shall determine whether such a mechanism can be implemented no later than December 31, 2020. If the Department determines that such a mechanism shall be established, the Department shall publish a *Guideline on Energy Reserves* that explains the mechanism and its applicability.

(8) Clean Peak Certificate Procurement.

(a) Each Distribution Company shall competitively procure Clean Peak Energy Certificates pursuant to M.G.L. c. 25A, § 17(c). Clean Peak Certificate procurements shall be designed to achieve an initial target of at least 30% of the total market obligation of Retail Electricity Suppliers in a given Compliance Year. No later than November 12, 2024, the Department shall establish a staggered procurement schedule for the issuance for requests for proposals for Clean Peak Certificates.

(b) The Department may adjust the procurement target in response to the Market Supply in any Compliance Year. After notice and opportunity for public comment, the Department may increase the target for the Clean Peak Certificate Procurement or determine that additional procurements are not required based on Market Supply conditions.

(c) A request for proposals to conduct the competitive procurement shall be developed by the Distribution Companies, in consultation with and subject to review and approval by the Department. Such request for proposals may include the following components:

(d) Any contracts resulting from a competitive procurement under this section shall be subject to review and approval by the Department of Public Utilities.

(e) The Department may establish a Guideline on Clean Peak Certificate Procurements that explains the parameters and provides additional detail to the procurement process.

21.06: Qualification Process for Clean Peak Resources.

(1) Statement of Qualification Application. A Statement of Qualification Application shall be submitted to the Department by the Owner or Operator of the Clean Peak Resource or by the Authorized Agent for an Aggregation. The applicant must use the most current forms and associated instructions provided by the Department, and must include all information, documentation, and assurances required by such forms and instructions.

21.06: continued

(2) Review Procedures.

(a) The Department will notify the applicant when the Statement of Qualification Application is administratively complete or if additional information is required pursuant to 225 CMR 21.06(1).

(b) The Department may, in its sole discretion, provide an opportunity for public comment on any Statement of Qualification Application.

(3) Issuance or Non-issuance of a Statement of Qualification.

(a) If the Department finds that a resource meets the requirements for eligibility as a Clean Peak Resource pursuant to 225 CMR 21.00, the Department will provide the Owner, Operator, or the Authorized Agent for such Aggregation with a Statement of Qualification.

(b) The Statement of Qualification shall include any applicable restrictions and conditions that the Department deems necessary to ensure compliance by a Clean Peak Resource or Aggregation with the provisions of 225 CMR 21.00.

(c) If the Clean Peak Resource or Aggregation does not meet the requirements for eligibility, the Department shall provide written notice to the Owner, Operator, or Authorized Agent, including the Department's reasons for such finding.

(d) In calendar year 2020, a resource may receive a Statement of Qualification which back-dates qualification to January 1, 2020 or the Commercial Operation Date, whichever is later.

(4) CPS Effective Date. The CPS Effective Date shall be the earliest date on or after the Commercial Operation Date on which the operation of a Clean Peak Resource can result in the creation of Clean Peak Energy Certificates, as determined by the Department.

(5) Notification Requirements for Change in Eligibility Status. The Owner or Operator of a Clean Peak Resource shall notify the Department of any changes in the technology, operation, emissions, fuel sources, energy resources, enrollment in incentive program(s), or other characteristics of the Clean Peak Resource(s) that may affect the eligibility of the Clean Peak Resource. The Owner, Operator, or Authorized Agent shall submit the notification to the Department no later than five days following the end of the month during which such changes were implemented. The notice shall state the date the changes were made to the Clean Peak Resource and describe the changes in sufficient detail to enable the Department to determine if a change in eligibility is warranted.

(6) Notification Requirements for Change in Ownership, Generation Capacity, or Contact Information. The Owner or Operator of a Clean Peak Resource shall notify the Department of any changes in the ownership, operating entity, capacity, NEPOOL GIS account for the Clean Peak Resource or Aggregation, or contact information for the Clean Peak Resource or Aggregation. The Owner or Operator shall submit the notification to the Department no later than five days following the end of the month during which such changes were implemented.

(7) Suspension or Revocation of Statement of Qualification. The Department may suspend or revoke a Statement of Qualification if the Owner or Operator of a Clean Peak Resource or Authorized Agent of an Aggregation fails to comply with 225 CMR 21.00 or if a Clean Peak Resource does not operate during a consecutive 12-month period.

21.07: Clean Peak Standard

(1) CPS Minimum Standard. The total annual sales of each Retail Electricity Product sold to Massachusetts End-use Customers by a Retail Electricity Supplier, under contracts executed or extended on or after January 1, 2020, shall include a minimum percentage of electrical energy sales with Clean Peak Certificates.

(a) The CPS Minimum Standard shall be set to the percentage identified in 225 CMR 21.07(1)(a).

21.07: continued

Compliance Year	Cumulative Minimum Percentage
2019	0.0%
2020	1.5%
2021	3.0%
2022	4.5%
2023	6.0%
2024	4.0%
2025	5.5%
2026	4.0%
2027	8.0%
2028	12.0%
2029	18.0%
2030	24.0%
2031	29.0%
2032	31.0%
2033	32.5%
2034	34.0%

(b) The CPS Minimum Standard for each Compliance Year shall increase 1.5% annually after 2034.