



July 15, 2025

Via Electronic Mail

RE: PowerOptions' Comments on the AMP Straw Proposal

To whom it may concern:

I am writing on behalf of PowerOptions, a nonprofit energy-buying consortium and trusted advisor to nonprofits and the public sector in Massachusetts as well as across New England. With over 500 Members, both large and small, our collective strength yields optimal energy pricing and stability for our entire membership. We are mission-driven with a primary focus on reducing the cost, carbon, and complexity of energy for our Members with programming such as energy procurement, clean transportation, energy sustainability analytics, as well as solar and storage.

Our Members stand to benefit significantly from the Advancing Massachusetts Power (AMP) Grant Program outlined in the Department's straw proposal. With their interests in mind, we respectfully submit the following comments:

- **Proposed Revisions to the Community Resilience Incentive Design**
- **Recommendations for the Battery Reserve Capacity Requirements**
- **Recommendations to Improve Equity and Access for EJ/LMI Communities**

More detailed justification for these comments can be found on the page below.

Thank you for your consideration of our comments, for your leadership, and for your commitment to energy resiliency in the Commonwealth. Please reach us with any comments or questions at Sophia Gosselin-Smoske (sgosselinsmoske@poweroptions.org).

Thank you,

Sophia Gosselin-Smoske
Regulatory and Policy Analyst
PowerOptions

Question #2: Are the rough maximum grant levels by subprogram and the estimated number of projects sufficient to motivate you to apply? If not, what would be?

We support the proposed \$2.5 million funding level with a 50% cost-share requirement as an appropriate baseline incentive to encourage applications. However, we recommend structuring this as an incentive based on battery discharge output (\$/kWh) with a supplemental flat rate incentive to account for the premium costs associated with incorporating resiliency infrastructure. This structure would help ensure projects that deliver meaningful community resilience benefits, particularly in outage-prone or critical service areas, are financially viable and attractive to diverse applicants.

Question #11: How do you balance resilience needs with revenue opportunities (e.g. market participation vs. emergency reserve requirements)? Is it reasonable to expect these projects to maintain a high state of charge (e.g., 90%) before severe weather events to ensure resilience? How might this affect your project's revenue potential?

The proposed 90% reserve capacity requirement for extreme weather events appears overly conservative and risks significantly limiting revenue-generating opportunities, especially for systems in demand response (DR) or market participation programs. We recommend allowing battery systems to be sized at 150% of peak demand, aligned with the Connected Solutions program, to better accommodate backup and revenue needs. Additionally, we suggest that reserve capacity requirements should be determined on a case-by-case basis by evaluation of critical on-site load, with a minimum threshold of 50% reserve (75% of annual peak demand) with four-hour duration, enabling both resilience and economic optimization.

Question #12: What barriers do EJ or LMI communities face in owning and operating energy storage projects? What technical, financial, or operational support is needed to overcome those barriers? What ownership and business models help communities realize the benefits of energy storage systems? What types of support (e.g. technical assistance, training, partnerships) would increase your community's capacity to own and manage these systems?

Environmental Justice (EJ) and Low- to Moderate-Income (LMI) communities often face technical and structural barriers to fully realizing the resilience and revenue benefits of battery storage. To promote equity, we recommend additional technical assistance that enables project hosts to retain a fair share of battery-generated revenue. While we advocate for allowing third-party ownership of projects – for example, under a Power Purchase Agreement and/or Shared Savings Agreement, guardrails should also be established to prevent DERMS providers or aggregators from capturing a disproportionate share of value, ensuring benefits flow equitably to community-serving institutions.

We are also concerned that limiting pre-construction technical assistance (TA) support from DOER and Program Administrator (PA) teams may constrain flexibility and increase project costs. This structure may necessitate individual RFP processes for project-specific TA, reducing consumer protections and increasing administrative burden. We strongly recommend that third-party technical assistance providers be eligible for pre-construction funding support, giving project developers the option to choose trusted partners while still meeting program standards.