



November 18, 2022

Samantha Meserve, Director, Renewable and Alternative Energy Division
Department of Energy Resources (DOER)
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: CPower Comments on Distribution Circuit Multiplier Fall 2022 Draft Guideline

Dear Director Meserve,

Thank you for the work that you and the rest of the DOER team have put into developing the draft Guideline for the Clean Peak Standard (CPS) Distribution Circuit Multiplier (DCM) and for the opportunity to provide comments on the draft.

CPower is a leading Demand Response (DR) and Distributed Energy Resource (DER) Service Provider, with over 6 GW of capacity under management across the nation. As you know, CPower was involved in the development of the rules that allowed DR to participate as a Clean Peak Resource and was one of the first Curtailment Service Providers to bring DR to the program.

As discussed further herein, CPower is concerned that the draft Guideline diverges significantly from the straw proposal that was shared with stakeholders earlier this year and is especially troubled by language that appears to exclude Demand Response Resources from eligibility for the DCM. Our comments below outline these concerns in more detail.

Exclusion of Demand Response Resources from DCM Eligibility

The draft Guideline refers solely to “Generation Units” as the resource type eligible to earn the DCM. In contrast, the straw proposal envisioned that Demand Response, RPS class I resources, behind the meter (BTM) storage, and certain stand-alone storage would be eligible to earn the DCM on heavily loaded (peak demand) circuits. CPower



urges the DOER to reconsider this aspect of the Guideline. Demand Response, as well as storage (behind the meter and front of the meter) have the capability to relieve constraints on heavily loaded circuits and therefore should be eligible for the DCM. CPower recommends that the draft Guideline be revised to conform with the resource eligibility envisioned in the straw proposal.

Circuit Identification

The draft Guideline would limit “DCM-eligible” circuits to those that are heavily loaded with peak demand. The straw proposal, in contrast, envisioned making solar-saturated circuits, as well as heavily loaded circuits, “DCM-eligible”. CPower urges DOER to reconsider this aspect of the draft Guideline. Storage resources have the capability to provide significant benefits on solar-saturated circuits, but these resources will not be developed without sufficient incentives. The economics of storage in the state are tenuous at best; recent developments - including charge/discharge constraints imposed by the utilities as part of the interconnection process – have further weakened storage economics. The availability of the DCM could make or break the viability of a storage project. As such, the DOER should add solar-saturated circuits to the “DCM-eligible” circuits in the Guideline.

Cap on resources eligible for DCM per Circuit

The draft Guideline proposes to limit total resources eligible for the DCM to 1 MW per circuit. This “one size fits all” approach will result in missed benefits. On many circuits, 1 MW will not be enough to resolve the constraint; on others it may be more than sufficient. CPower suggests that DOER reconsider this aspect of the Guideline and implement size limits based on the needs of the circuit.

Conclusion

CPower appreciates DOER’s work on developing a draft CPS DCM Guideline but believes additional work is needed to ensure that the implementation of this new multiplier is effective in incenting resources that can resolve the identified constraints. As such, CPower urges DOER to reconsider the key aspects of the Guideline discussed above and delay issuance of a final Guideline until the identified issues have been resolved.



CPower appreciates the opportunity to submit these comments and looks forward to continuing to work with DOER and stakeholders to finalize this Guideline

Sincerely,

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