

August 26, 2024

Thomas Ferguson
Department of Energy Resources
100 Cambridge Street
9th Floor
Boston, MA 02114

Re: 2024 CPS EMERGENCY RULEMAKING COMMENTS

On July 19, 2024, the Massachusetts Department of Energy Resources (DOER) filed emergency regulations that alter the minimum standards for 225 CMR 21.00 Clean Peak Energy Standard (CPS) by lowering the minimum standards through 2028 and raising the minimum standard every year after until 2050. The emergency regulations also add a Near-Term Resource multiplier for Qualified Energy Storage Systems interconnected to the Distribution system and not co-located with a Qualified RPS Resource or Demand Response Resource. Constellation NewEnergy, Inc. ("CNE") hereby respectfully submits these comments to DOER for their consideration for the final permanent rulemaking. CNE appreciates DOER Staff's efforts on this topic and looks forward to continued discussions.

CNE is a leader in the clean energy transition as the nation's largest producer of carbon-free energy and provider of sustainable solutions to homes, businesses, and public-sector customers across the United States. CNE is committed to helping Massachusetts achieve its clean energy and climate goals, including those furthered by the CPS. CNE supports the DOER's objectives of minimizing rate payer exposure to Alternative Compliance collection and balancing the need to incentivize CPS projects.

CNE finances clean energy projects through long-term offtake agreements for Clean Peak Energy Certificates (CPECs) from CPS project developers, including from one of the largest battery storage projects in Massachusetts. The reduced minimum compliance obligations in the near term will allow CNE to further invest in these types of offtake agreements and CPS project development.

Furthermore, CNE's business decisions are based, in part, on the DOER's program structures as they stand at the time contracts are executed, including current market prices for CPECs. As DOER considers permanent adoption of these emergency regulations and any further changes to the CPS program, it is important that the regulations respect existing contracts. As described above, CNE has made long term investments in support of the CPS based on the current Alternative Compliance Payments (ACP) structure. We request that DOER does not reduce the ACP rates for years beyond 2028.

We appreciate the ability to provide comments on the Emergency Rule Making and request that DOER continues to allow for stakeholder engagement throughout the process.

Thank you for your consideration and please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Creer', with a stylized, looping flourish extending to the right.

David Creer
Manager, State Government Affairs