

November 18, 2024

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

By electronic delivery to DOER.CPS@mass.gov

Subject: Cypress Creek Renewables Comments on 2024 CPS Follow-On Emergency Rulemaking

Dear Mr. Ferguson,

Cypress Creek Renewables (CCR) submits these comments in response to the Clean Peak Standard (CPS) Emergency Rulemaking filed by the Massachusetts Department of Energy Resources (DOER) on October 11, 2024 and supplemented by the Procurement Schedule Announcement published by DOER on November 12, 2024. We applaud Massachusetts' efforts to review the CPS program. Revisions to the program will further position Massachusetts as a national leader in energy storage development, with the opportunity to send strong signals to private industry to invest in the Commonwealth for years to come.

CCR is a leading clean energy developer and independent power producer. It develops, finances, owns, and operates utility-scale and distributed solar and energy storage projects across the United States with a mission to power a sustainable future, one project at a time.

In the Procurement Schedule Announcement, DOER establishes the following staggered procurement schedule for the issuance of RFPs for Clean Peak Certificates:

- Issue First RFP by July 31, 2025, and
- Issue Subsequent RFPs every two years thereafter.

As stated in the Procurement Schedule Announcement, DOER reserves the right to revise this schedule as necessary to respond to changes in law, including S. 2967 – An Act Promoting A Clean Energy Grid, Advancing Equity And Protecting Ratepayers, which is currently pending before the legislature, or other circumstances.

CCR respectfully requests DOER to adopt the energy storage procurement schedule, size, and scope contained in S. 2967. At present, S. 2967 has passed both chambers of the legislature and is awaiting signature by Governor Healey. Adopting a procurement schedule that differs with S. 2967 would be inconsistent with legislative intent for energy storage deployment.

S. 2967 contains the following language regarding the energy storage procurement schedule, size, and scope:

“The distribution companies, in coordination with the department of energy resources, may conduct 1 or more competitive solicitations through a staggered procurement schedule developed by the department of energy resources. The schedule shall ensure that the distribution companies enter into cost-effective long-term contracts for energy storage systems equal to approximately 5,000 megawatts not later than July 31, 2030, of which: (i) approximately 1,500 megawatts of mid-duration storage shall be procured by July 31, 2025, and shall be for environmental attributes only; (ii) approximately 1,000 megawatts of mid-duration storage shall be procured by July 31, 2026; (iii) approximately 1,000 megawatts of mid-duration storage shall be procured by July 31, 2027; and (iv) all remaining energy storage systems capacity shall be procured by July 31, 2030. Each procurement shall consider inclusion of environmental attributes, energy services or a combination of both; provided, however, that the procurement of 1,500 megawatts of mid-duration storage by July 31, 2025 shall be for environmental attributes only.”

CCR asks that DOER hold the procurements in 2026 and 2027 as contained in S. 2967 instead of “every two years thereafter” the 2025 procurement, as currently stated in the Procurement Schedule Announcement. Holding the procurements in 2026 and 2027 provides a nearer term schedule that is more likely to lead to sustained investments in battery energy storage projects that are currently under development.

In addition, CCR encourages DOER to include energy services, in addition to environmental attributes, in the procurements in 2026 and 2027. Including energy services in the procurements will increase the revenue under contract with a creditworthy counterparty, thus attracting a wider and lower cost pool of financing parties. Bringing mainstream capital providers to the Massachusetts storage market ultimately reduces net cost to utility customers. A minimum level of contracted revenue is a binary requirement for many investors.

CCR appreciates DOER’s efforts to implement energy storage RFPs and we look forward to seeing the benefits that energy storage systems will bring to the Commonwealth in the years ahead.

Sincerely,

Justin Biltz
Senior Director, Government Affairs
Cypress Creek Renewables.