



July 8, 2024

Elizabeth Mahony, Commissioner
Samantha Meserve, Director
Thomas Ferguson, Energy Storage Programs Manager
Renewable and Alternative Energy Division
Massachusetts Department of Energy Resources
100 Cambridge Street, 9th Floor
Boston, MA, 02114

Re: Clean Peak Emergency Regulations

Dear Commissioner Mahony,

New Leaf would like to express our sincere gratitude for the changes to the Near Term Resource Multiplier included in the recent Clean Peak Standard Emergency Regulations. As we have noted in the past, the Clean Peak program presents financing challenges due to the market-driven value of Clean Peak credits. Nonetheless, Clean Peak revenue is a crucial piece of the value stack for energy storage projects in Massachusetts, as wholesale market revenues in ISO-NE are weak. In fact, wholesale market revenues are weak enough that distribution-connected energy storage projects are not viable without a multiplier. For that reason, the binary risk of Near Term Resource Multiplier eligibility based on a hard COD deadline presents enormous financing challenges. Prior to the release of the Emergency Regulations, missing the COD deadline by a single day would cause a project to lose the multiplier, which would render projects no longer financially viable. This is especially concerning because COD is a milestone that depends upon prompt action by the utilities, and therefore is not fully within a developer's control.

We especially appreciate that DOER has created an opportunity for good cause extensions in light of the fact that the months after most projects made NTRM reservations in January 2025 saw unprecedented volatility in the storage industry. The Trump administration's actions on tariffs and Congressional negotiations on the bill that ultimately was enacted as HR1 created enormous uncertainty around equipment cost and procurement timelines, leading to delays in the start of construction for many storage projects.

Thank you for listening to industry feedback and for your team's effort in implementing these changes. We look forward to the imminent operation of our first Clean Projects, thanks to your continued support.

Sincerely,

Jessica Robertson
Director of Policy and Business Development, New England
New Leaf Energy

BLUEWAVE

VIA ELECTRONIC FILING

July 6, 2026

Thomas Ferguson, Ph.D.
Massachusetts Department of Energy Resources
100 Cambridge St., 9th Floor
Boston, MA 02114

re: CPS 2026 Emergency Rulemaking – BlueWave Comments

Dear Dr. Ferguson,

BlueWave appreciates the opportunity to provide comments to the Massachusetts Department of Energy Resources (“DOER”) on the Clean Peak Standard (“CPS”) Emergency Regulations filed on May 28, 2026. BlueWave supports the Emergency Regulations and encourages DOER to consider additional actions that can increase Clean Peak Energy Credit (“CPEC”) supply.

BlueWave's mission is to build responsible solar and energy storage projects that deliver homegrown energy generation and enhance grid resilience. BlueWave is actively developing energy storage projects, including both transmission- and distribution-scale projects in Massachusetts, to ensure our grid is reliable and efficient in a clean energy future.

Minimum Standard

BlueWave appreciates DOER’s efforts to ensure that the CPS balances the need to provide price signals that encourage development with the ratepayer impacts of the program. As such, we support the reduction of the Minimum Standard in the near term. That said, we encourage DOER to monitor the effects of the near term reduction in the Minimum Standard for market impacts to ensure this does not create a chilling effect for investment.

The CPS has struggled to stimulate new development on its own, emphasizing the importance of the ongoing Section 83E procurements. Beyond the Section 83E procurement authorization, DOER has the opportunity to consider other pathways to increase CPEC supply and encourage storage to operate most beneficially to deliver ratepayer benefits. Legislation that has passed both the House and the Senate would authorize DOER to create a retail energy storage program that could provide more revenue certainty to distribution-connected energy storage, while further encouraging the storage to operate in ways that deliver ratepayer benefits. Should the bill ultimately be passed and signed into law, BlueWave would encourage DOER to consider how this new authority may satisfy multiple public policy objectives and facilitate the cost-effective deployment of energy storage.

Near Term Resource Multiplier

The changes to the Near Term Resource Multiplier (“NTRM”) allow projects with NTRM reservations to petition for extensions of those reservations for good cause. Further, the changes clarify that the NTRM terminates for resources that have the multiplier after December 31, 2036. These changes preserve the intent of the NTRM to encourage distribution-connected energy storage deployment in the near-term to drive incremental supply and deliver ratepayer benefits.

To further advance the objective of the NTRM, BlueWave encourages DOER to allow additional projects to join the NTRM waitlist and, if currently-reserved NTRM projects do not advance, receive the NTRM even if they do not reach commercial operation by January 2027. Given headwinds that the distribution-connected energy storage sector has faced over the past year, extending eligibility for the multiplier (while retaining the 2036 expiration date) would allow additional, mature projects to move forward and deliver CPECs, reducing the amount of Alternative Compliance Payments in the program.

Conclusion

Thank you for the opportunity to provide these comments on the Emergency Regulations. Please contact us if you have any questions.

Sincerely,

/s/ Sean Burke

Sean Burke

Vice President, Policy & Government Affairs

BlueWave

sburke@bluewave.energy

July 6, 2026

Massachusetts Department of Energy Resources
100 Cambridge Street
Boston, MA 02114
DOER.CPS@mass.gov

Re: Clean Peak Standard 2026 Emergency Rulemaking
Conservation Law Foundation Comments

I. Introduction

Conservation Law Foundation (“CLF”) submits the following comments on Massachusetts Department of Energy Resources’ (“DOER”) Emergency Clean Peak Standard (“CPS”) Rulemaking. The Emergency Rulemaking proposes several changes to the CPS to “reduce near-term impacts ... on ratepayers while creating a pathway to ensure additional energy storage is deployed across the Commonwealth.”¹ It changes the Minimum Standard from 2026 through 2030, modifies the near-term resource multiple for Qualified Energy Storage Systems, and makes technical updates to references in the Solar Massachusetts Renewable Target (“SMART”) Program.² CLF’s Comments are included below.

II. CLF’s Comments

1. CLF commends the Department for adding flexibility to the good-cause extension regarding the Near-Term Multiplier.

CLF has often commented and called for the Commonwealth to take a pragmatic approach regarding Commercial Operation Date (“COD”) requirements. CLF thanks the DOER for including language that CLF has advocated for, including having Qualified Energy Storage Systems to request an extension for good cause so long as there is evidence of a good faith effort and recognition of supply-chain constraints and/or potential permitting and interconnection delays. This change helps to soften a deadline to continue to allow developers and projects to gain benefits from the Near-Term Multiplier.

¹ *Clean Peak Energy Standard Notices and Updates*, MASS.GOV, <https://www.mass.gov/info-details/clean-peak-energy-standard-notices-and-updates>.

² *Id.*

2. *DOER must carefully consider the long-term implications of reducing the CPS Minimum Standard.*

In making changes to the Minimum Standard, DOER is attempting to balance reducing CPS costs but also incentivizing battery storage development and providing additional flexibility. The Minimum Standard determines how many Clean Peak Energy Certificates electricity suppliers must acquire each year. While lowering compliance obligations may potentially provide near-term ratepayer relief, lowering the Minimum Standard may weaken market incentives for battery energy storage systems and new development in the long-term. DOER must carefully consider the long-term implications of reducing the CPS Minimum Standard. Battery energy storage deployment is essential to Massachusetts' transition to a cleaner, more electrified future, and reducing peak demand goals may hinder progress towards that goal.

3. *CLF supports DOER's references to the SMART Program to maintain regulatory consistency.*

The emergency filing includes minor technical updates to the SMART program, intended to maintain regulatory consistency. Massachusetts must continue to preserve and strengthen key incentives for storage deployment and solar generation in order to meet the state's climate laws and targets.

III. Conclusion

CLF appreciates DOER's efforts to engage the public in its work and looks forward to working with DOER as it helps move our Commonwealth toward a cleaner and electrified future.

Respectfully Submitted,



Anxhela Mile
Staff Attorney
Conservation Law Foundation
62 Summer Street, Boston, MA 02109
Phone: (617) 850-1736
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July 6, 2026

Via email to: DOER.CPS@mass.gov

Mr. Thomas Ferguson
Massachusetts Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: Eversource Comments on DOER's Proposed Clean Peak Energy Standard Emergency Regulations

On May 28, 2026 the Department of Energy Resources (DOER) filed an emergency rulemaking with the Secretary of State that makes changes to 225 CMR 21.00 Clean Peak Energy Standard (CPS).

The emergency regulations contain three major elements:

- 1) Changes the Minimum Standard obligation for Clean Peak Energy Certificates (CPECs) from 2026 through 2030.
- 2) Modifies the Near-Term Resource Multiplier for Qualified Energy Storage Systems.
- 3) Makes technical updates to references related to the Solar Massachusetts Renewable Target (SMART) program.

NSTAR Electric Company d/b/a Eversource Energy (Eversource or the Company) supports DOER's efforts to reduce near-term customer costs by lowering the Minimum Standard through 2030 while continuing to support the developing CPEC market. This reduction could lower CPS compliance costs by approximately \$204 million through 2030 via reduced Alternative Compliance Payments (ACP). However, the Company is concerned that much of the reduction in cost will not reach customers as savings and instead will be captured as windfall profit for retail suppliers and municipal aggregators with existing long-term contracts.

Due to the timing of the revisions to the 2026 Minimum Standard, electric distribution companies (EDCs) will over-collect funds for CPS obligations in 2026. The EDCs' 2026 Basic Service rates were filed prior to the reduction in the CPEC Minimum Standard. The 2026 rates were calculated using the 7.0 percent Minimum Standard for 2026, however the EDCs' actual 2026 compliance costs will be calculated with the revised Minimum Standard of 4.0 percent. The EDCs will refund any over-collection arising from the reduced Minimum Standard to all customers, as required. However, this same requirement does not apply to competitive suppliers, who are not obligated to return excess revenues collected from existing supply rates following the reduction of the Minimum Standard and therefore can retain them as profit. These excess profits are not the result of the suppliers' business practices but are the result of changes to the CPS within the current compliance year.

As of March 2026, approximately 16 percent of EDC load is served by Basic Service and

approximately 75 percent of customers receive supply service from competitive suppliers. In 2026, Eversource estimates that, while \$14 million will be returned to customers by the EDCs, the DOER's reduction to the Minimum Standard could potentially result in \$72 million in excess profits to competitive suppliers and municipal aggregators. Eversource supports DOER's efforts to lower energy supply rates by reducing near-term Clean Peak Minimum Standards, however the Company remains concerned that proposed savings will not benefit customers to the degree intended by the emergency rulemaking.

The actions taken here by the DOER are indicative of a broader issue with tradeable credit market policies. For such policies to be effective at attracting capital investments, they require stable regulations that create dependable price signals that encourage investments. When market demand for tradeable certificates (as established either through statute or regulation) is in excess of market supply, high credit market prices are a predictable outcome. These high prices are a foundational feature of any market-based policy. High credit prices are the signal to developers to build additional supply while simultaneously driving increases in retail energy prices paid for by the Company's and other EDC customers.

At this time, the Commonwealth is experiencing supply shortages in a number of tradeable credit markets and greenhouse gas (GHG) emissions markets due to inadequate clean energy supply. By design, these policies are currently raising costs for customers. Eversource strongly encourages the DOER to evaluate alternative renewable portfolio standard policies that do not require customers to pay increased utility bills when climate policies are not achieved. New York has transitioned its renewable portfolio standards (RPS) away from Massachusetts' market-based approach in recognition of customer affordability concerns. Under the New York approach, a central procurement authority signs long-term contracts with clean energy projects. Once a project is operational, the project receives compensation for their generation, with funds sourced equally from Load Serving Entities. This central procurement structure both provides certainty to project developers while also stabilizing policy costs and ensuring that electric customers are only obligated to pay for energy delivered by operating projects. The Company encourages DOER and the administration to give serious consideration to the RPS best practices adopted in New York.

The Company appreciates the opportunity to provide comments on DOER's CPS emergency rulemaking and looks forward to participating in the upcoming public hearing.

Sincerely,



Patrick P. Smith
Vice President – Energy Supply



RENEW
Northeast

ACT The Alliance for
Climate Transition

Via Electronic Mail: DOER.CPS@mass.gov

June 24, 2026

Ms. Samantha Meserve
Director of the Renewable and Alternative Energy Division
Massachusetts Department of Energy Resources
100 Cambridge Street, 9th Floor
Boston, MA 02114

**Clean Energy Group Comments in Support of the Clean Peak Energy Standard Program
Emergency Regulations filed on May 28, 2026**

Dear Ms. Meserve,

The Alliance for Climate Transition ("ACT"), the Solar Energy Industries Association ("SEIA") and RENEW Northeast ("RENEW") appreciate the opportunity to submit joint comments to the Massachusetts Department of Energy Resources ("DOER" or "The Department") regarding the Clean Peak Energy Standard ("CPS") and emergency regulations.

On May 28, 2026, the Department filed an emergency rulemaking with the Secretary of State that makes changes to 225 CMR 21.00 Clean Peak Energy Standard (CPS), effective immediately.

This emergency rulemaking:

- (1) Changes the Minimum Standard from 2026 through 2030;
- (2) Modifies the Near-Term Resource Multiplier for Qualified Energy Storage Systems; and
- (3) Makes technical updates to references related to the Solar Massachusetts Renewable Target (SMART) Program.

Near Term Resource Multiplier

The clean energy industry has experienced policy whiplash and a tremendous amount of uncertainty following the passage of H.R. 1 and delays in Internal Revenue Service guidance. Federal headwinds have included rapid tariff changes—creating supply chain issues for developers and, in turn, added delays at the Electric Distribution Company in project timelines.

All of these factors have added risk and challenges in securing project financing, chilling the landscape for battery energy storage developers.

The Clean Energy Groups appreciate the careful work that the Department has done in seeking to understand the needs and challenges of the clean energy industry and advancing policy solutions that can smooth the path to bring more resources to market, thus advancing the Commonwealth's clean energy and climate goals.

The emergency rulemaking filed on May 26 does a great deal to mitigate the risks created at the federal level and is a major step in ensuring these projects can move forward. We have a few specific additional comments to add, in addition to our thanks.

Near-Term Resource Multiplier: Good-Cause Extension and the Multiplier Window

The Clean Energy Groups strongly support the addition of a good-cause extension to the Near-Term Resource Multiplier. Federal policy disruption, tariff volatility, and interconnection delays have pushed project timelines in ways developers cannot control, and the ability to seek relief from the January 1, 2027 Commercial Operation Date requirement is a meaningful and welcome acknowledgment of those conditions.

We respectfully ask DOER to clarify one issue. The Near-Term Resource Multiplier expires for all energy discharged after December 31, 2036. A project that receives a good-cause extension to its Commercial Operation Date does not receive a corresponding adjustment to that 2036 endpoint.

As drafted, a project delayed by circumstances that DOER has already recognized as beyond the developer's control would see its ten-year multiplier window compressed, receiving fewer years of multiplier value precisely because it qualified for relief.

We ask that DOER confirm, through guidance or in the regulation, that a good-cause extension correspondingly extends or tolls the multiplier window, so that an eligible project receives the full multiplier term the Near-Term Resource Multiplier was designed to provide. This clarification would reinforce the investor certainty DOER's action is intended to create, particularly for distribution-connected storage financed on merchant Clean Peak Energy Certificate revenue.

Minimum Standard

The Clean Energy Group appreciates DOER's thoughtful approach to balancing program objectives of inducing new energy storage capacity and minimizing ratepayer costs. As such, we support the near-term reduction in the Minimum Standard.

That said, the multiple changes to the Minimum Standard over the past few years has created investor uncertainty into the future of the Clean Peak Standard. This underscores

how critically important the 83E procurements are, providing a pathway to provide investor confidence in the value the Clean Peak Standard provides.

Given the limited authorization for additional 83E procurements, we encourage DOER to consider more durable solutions to the challenges with financing projects on the Clean Peak Standard, particularly for distribution-connected energy storage. In particular, a retail energy storage program would catalyze the market and provide an opportunity to create additional CPS supply that could automatically transfer to the utilities, as RECs transfer to the utilities under SMART.

Conclusion

We understand that the Renewable and Alternative Energy Division has a very full plate, and we sincerely appreciate your ongoing willingness to engage with industry on common-sense solutions that can help unleash the potential for more affordable, reliable clean energy solutions.

On behalf of all of our members who participate in the Clean Peak Standard Program or hope to in the future, we applaud the Department for your supportive actions. Thank you for the opportunity to share our comments. We look forward to ongoing collaboration.

Sincerely,

/s/ Natalie Hildt Treat
Director of Public Policy
Alliance for Climate Transition
ntreat@joinact.org

/s/ Ruthie DeWit
Northeast Regional Director
Solar Energy Industries Association
rdewit@seia.org

/s/ Francis Pullaro
President
RENEW Northeast
fpullaro@renew-ne.org



July 6, 2026

Via email to: DOER.CPS@mass.gov

Massachusetts Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: National Grid Comments on DOER's Proposed Clean Peak Energy Standard Emergency Regulations

On May 28, 2026, the Department of Energy Resources (DOER) filed emergency rulemakings (Emergency Regulations) with the Secretary of State that make changes to 225 CMR 21.00 Clean Peak Energy Standard (CPS).

National Grid appreciates DOER's attention in filing these Emergency Regulations to manage the customer costs of the Clean Peak Energy Standard. We support DOER's efforts to reduce customer costs by lowering the Minimum Standard in the near-term to better align with the current market supply for CPECs. This change will result in savings for the electric distribution companies' (EDCs) Basic Service customers, as the reduced compliance obligation will be passed on to Basic Service customers through reduced Basic Service rates and through credits to all customers via the Basic Service reconciliation.

However, the Company has significant concerns that, without further changes to the Emergency Regulations, much of the reductions in cost will fail to reach customers as savings and instead will be captured as windfall profit for competitive suppliers that have existing long-term contracts with customers. **As proposed, the Emergency Regulations will result in windfall profits for competitive suppliers in excess of \$70 million in 2026 alone, with further windfall profits through 2030.** In these comments, National Grid explains the basis for this estimate and proposes several modifications to the Emergency Regulations to increase the likelihood that the benefits of the DOER's Emergency Regulations flow through to customers instead of to competitive suppliers' bottom lines.

Analysis of Customer Savings from Emergency Regulations

As proposed, the Emergency Regulations will lower CPS compliance costs by approximately \$208 million through 2030 via reduced Alternative Compliance Payments (ACP) to the Massachusetts Clean Energy Center (MassCEC). Customers subscribing to an EDC's Basic Service supply rate will see reduced costs from this reduced compliance obligation, given that EDCs are obligated to return savings from a reduced Minimum Standard back to their customers. However, the much larger group of customers who receive supply service from a competitive supplier will not receive the same benefits. The issue arises from the fact that competitive suppliers' customers are already locked into contracts for supply service, and that competitive suppliers, unlike EDCs, would not be obligated to return savings from a reduced Minimum Standard back to their customers. Notably, these excess profits are not the result of the

competitive suppliers' business practices but are simply the result of the timing of changes to the CPS regulations relative to contracts for service.

The following estimated calculations illustrate the potential value of refunds from EDCs and windfall profits for competitive suppliers associated with this change in Minimum Standard for 2026.

As of March 2026, approximately 16% of the EDC load was provided through Basic Service.¹ Assuming EDC load of 45 million MWh, approximately 7.2 million MWh is on Basic Service. Using the 2026 ACP rate and based on the assumptions shown below, we estimate \$32.8 million in CPS costs collected for 2026 compliance through EDC Basic Service rates. Reducing the Minimum Standard reduces these costs to approximately \$18.7 million, and as a result the EDCs would later refund the over-collection of \$14 million to all customers.

2026 EDC Basic Service – Estimated Costs and Refund Under New Minimum Standard

CPS Customer Payments		CPS Costs		
Rates CPS %	CPS Payments \$	New CPS %	CPS Cost \$	Refund
7.0%	\$32,760,000	4.0%	\$18,720,000	\$14,040,000

However, the majority of customers receive supply service from competitive suppliers, amounting to approximately 84% of total Commonwealth load of 45 million MWh, or approximately 37.8 million MWh. Reducing the CPS obligation to from 7% to 4% reduces compliance costs of competitive suppliers from \$172 million to \$98.3 million. Because customers are already locked into their retail supply rates, the competitive suppliers will still collect the \$172 million from customers, without an obligation to return the excess \$73.7 million to customers.

2026 Competitive Supply – Estimated Costs and Additional Profits under New Minimum Standard

CPS Customer Payments		CPS Costs		
Rates CPS %	CPS Payments \$	New CPS %	CPS Cost \$	Added Profit
7.0%	\$171,990,000	4.0%	\$98,280,000	\$73,710,000

In the illustrations above, the DOER's efforts to reduce customers' costs in 2026 result in a reduction to customers of \$14 million through the Basic Service reconciliation, but also result in \$73.7 million in unwarranted competitive supplier profits. If the DOER modifies the Emergency Regulations, total customer savings for 2026 alone could be up to \$87 million (i.e., counting the EDC Basic Service cost savings that will occur regardless, and the additional savings for competitive supply customers).

¹ <https://www.mass.gov/doc/2026-q1-electric-customer-choice/download>

Recommended Amendments to the Emergency Regulations

A simple amendment to the Emergency Regulations would increase the potential for customer savings and eliminate the potential for windfall profits among competitive suppliers. The Company recommends that DOER adjust the Emergency Regulations such that the revised Minimum Standards should only be applicable to contracts executed after a specific date. All contracts executed before that specific date should be subject to the original Minimum Standard included in 225 C.M.R. 21.07.² If the Minimum Standard is reduced, the customers continue to pay their original retail supply rate that was calculated with the original CPS Minimum Standard. DOER could also stipulate that, where existing contracts are in place, the competitive suppliers should only be subject to the lower Minimum Standard if they provide proof that customer retail supply rates will be reduced accordingly. This issue and recommendation are also detailed in the Company's August 2024 comments on a prior set of Clean Peak Standard Emergency Regulations.

The Company provides Attachment A as an example of edits that could be made to the Emergency Regulations to address this issue.

Attachment A provides a table requiring Minimum Standards for retail contracts executed on or before May 28, 2026 (when the Emergency Regulations were issued) and Minimum Standards for retail contracts executed after May 28, 2026. The DOER has an identical framework for the Minimum Standards for the DOER's RPS Class I Solar Carve-Out II. Attachment A also details that existing competitive suppliers' customers may be subject to the lower Emergency Regulations' Minimum Standards if a company representative submits an affidavit attesting that the competitive supplier revised its retail supply rate to reflect the lower Emergency Regulations' Minimum Standards.

This amendment would ensure that the Emergency Regulations' cost savings do not flow to competitive suppliers as windfall profits, and would increase the likelihood that the savings flow to the benefit of customers. It should be noted that the amended regulations would still require action from competitive suppliers to return savings to customers. Most residential customers receive supply service as part of municipal aggregations. Town officials and their consultants should advocate on behalf of those customers and petition the competitive suppliers to revise their retail supply rates.

If competitive suppliers choose not to revise their retail supply rates and therefore choose not to return those savings to their customers, the competitive suppliers will continue to make Alternative Compliance Payments. ACPs made to the MassCEC are more beneficial to customers than providing competitive suppliers with windfall profits, in that the MassCEC can

² Typically, changes to Minimum Standards have been accompanied by exemptions for load that was already under contract. For example, when the CPS was first implemented, any contracts executed or extended before January 1, 2020 were exempt from the CPS. In comments on the CPS Program Review due May 3, 2024, both Constellation NewEnergy, Inc. and the Retail Energy Supply Association (a competitive supplier trade association) requested exemption of existing contracts from program changes, as a protection from cost increases. That principle should apply in both directions.

National Grid Comments on CPS Emergency Regulations

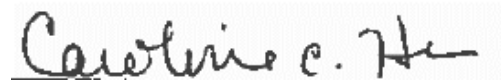
July 6, 2026

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use the ACPs to further its mandate for public benefit or that policymakers could later choose to refund unspent ACP funds as credits to customers.

National Grid appreciates the opportunity to submit comments on this matter and looks forward to further collaboration with the DOER on the CPS Program.

Very truly yours,

A handwritten signature in black ink, appearing to read "Caroline C. Hon", is written over a light gray rectangular background.

Caroline Hon
Vice President, New England Regulation and Pricing
National Grid

Attachment A

225 CMR: DEPARTMENT OF ENERGY RESOURCES

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

Section

- 21.01: Authority, Purpose and Application
- 21.02: Definitions
- 21.03 : Administration
- 21.04 : Applicability
- 21.05 : Eligibility Criteria for Clean Peak Resources
- 21.06: Qualification Process for Clean Peak Resources
- 21.07: Clean Peak Energy Standard
- 21.08: Compliance Procedures for Retail Electricity Suppliers
- 21.09: Annual Compliance Filings for Retail Electricity Suppliers
- 21.10: Reporting Requirements
- 21.11 : Inspection
- 21.12 : Non-compliance
- 21.13 : Severability

21.01 : Authority, Purpose and Application

225 CMR 21.00 is promulgated pursuant to M.G.L. c. 25A, § 17(c).

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 non-renewable 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.

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 first (1st) and ending December thirty-first (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:

- 1) Has received a Statement of Qualification as a Solar Tariff Generation Unit pursuant to 225 CMR 20.00 ~~or 225 CMR 28.00; or, ~~or,~~~~
- 2) 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.

Generation Attribute. Means a Generation Attribute, as defined in 225 CMR 14.02: *Definitions*.

GIS Certificate. An electronic record produced by the NEPOOL GIS that identifies Generation Attributes of each MWh accounted for in the NEPOOL GIS.

Guideline. A set of clarifications, interpretations, and procedures, including forms, developed by the Department to assist in compliance with the requirements of 225 CMR 21.00. The Department may issue new or revised Guidelines. Each Guideline shall be effective on its date of issuance or on such date as is specified therein, except as otherwise provided in 225 CMR 21.00.

Hour of Actual Monthly System Peak. The hour in which the Actual Monthly System Peak occurs.

Interconnection Service Agreement. The agreement for interconnection service entered into between the interconnecting customer and a Distribution Company, as defined and provided in each Distribution Company's standards for interconnection of distributed generation.

ISO-NE. ISO New England Inc., the independent system operator for New England, the regional transmission organization for most of New England, which is authorized by the Federal Energy Regulatory Commission to exercise for the New England Control Area the functions required pursuant to the Federal Energy Regulatory Commission's Order No. 2000 and corresponding regulations.

ISO-NE Control Area. The Control Area for which the ISO-NE is responsible.

Kilowatt (kW). A unit of power equal to one thousand watts, as measured in alternating current (AC).

Kilowatt-hour (kWh). A unit of electrical energy or work equivalent to one thousand watts of power operating for one hour.

Market Supply. The percentage resulting from dividing the number of Clean Peak Energy Certificates produced in a compliance year by the total market obligation of Retail Electricity Suppliers for said compliance year.

Massachusetts Clean Energy Technology Center (MassCEC). The center established by M.G.L. c. 23J, § 2.

Megawatt (MW). A unit of power equal to one million watts, as measured in alternating current (AC).

Megawatt-hour (MWh). A unit of electrical energy or work equivalent to one million watts of power operating for one hour.

NEPOOL GIS. The NEPOOL Generation Information System, which includes a generation information database and certificate system, operated by the New England Power Pool (NEPOOL), its designee or successor entity, that accounts for generation attributes of electrical energy consumed within, imported into, or exported from the ISO-NE Control Area.

Net Demand. The amount of electric power needed to supply electric load at a specific time and place after all behind-the-meter energy generation and consumption has been accounted.

On-Site Load. Any new or existing electric load located at the site of a Clean Peak Resource including any parasitic load that may result from the installation of the Clean Peak Resource, and in the case of Qualified RPS Resource or Qualified Energy Storage System, that is wired to receive a portion of the electrical energy output from the Clean Peak Resource before the balance of such output passes through the Clean Peak Resource's metered interconnection onto the electric grid.

Operator. Any person or entity that has charge or control of a Clean Peak Resource subject to 225 CMR 21.00, including without limitation a duly authorized agent or lessee of the Owner, or a duly authorized independent contractor.

Owner. Any person or entity who, alone or in conjunction with others, has legal ownership, a leasehold interest, or effective control over the real property or property interest upon which a Clean Peak Resource is located, or the airspace above said real property, including without limitation a duly authorized agent of the Owner. For the purposes of 225 CMR 21.02, Owner does not mean a person or entity holding legal title or security interest solely for the purpose of providing financing.

Program Administrator. An entity designated by the Department to assist in the implementation

of the Clean Peak Standard, including but not limited to the MassCEC or another party as designated by the Department.

Qualified Energy Storage System. An energy storage system, as defined in M.G.L. c. 164, § 1, that commenced commercial operation or provided incremental new capacity at an existing energy storage system on or after January 1, 2019 that has received a Statement of Qualification from the Department; provided, however, that such system operates primarily to store and discharge renewable energy.

Qualified RPS Resource. A renewable energy generating source, as defined in M.G.L. c. 25A, §§ 11F(c) or (d) that has received a Statement of Qualification from the Department and has:

- (i) a Commercial Operation Date prior to January 1, 2019 and which installs a Qualified Energy Storage System at its facility; or
- (ii) a Commercial Operation Date on or after January 1, 2019.

Resilient Facility. A site which includes a Qualified RPS Resource and may include Qualified Energy Storage and/or Demand Response Resource where the qualified resources improve the facility's energy resilience by enabling the Qualified RPS Resource to generate electricity and provide said electricity to On-Site Load when the facility's distribution service is not energized (outage condition). Said onsite generation and provision of electricity to On-Site Load enhances the facility's ability to prepare for and adapt to changing conditions and withstand and recover rapidly from disruptions. A Resilient Facility must include On-Site Load other than parasitic load.

Retail Electricity Product. Means a Retail Electricity Product as defined in 225 CMR 14.02: *Definitions*.

Retail Electricity Supplier. A person or entity that sells electrical energy to End-use Customers in Massachusetts, including but not limited to electric utility distribution companies supplying basic service or any successor service to End-use Customers. A municipal lighting plant shall be exempt from the obligations of a Retail Electricity Supplier under 225 CMR 21.00 as it is exempt from the requirements of the Clean Peak Standard pursuant to M.G.L. c. 25A, § 17(d).

RPS Class I Renewable Generation Attribute. Means a RPS Class I Renewable Generation Attribute, as defined in 225 CMR 14.02: *Definitions*.

RPS Class I Renewable Generation Unit. Means a RPS Class I Renewable Generation Unit, as defined in 225 CMR 14.02: *Definitions*.

Seasonal Peak Period. The time periods during the Clean Peak Seasons when the Net Demand for electricity is typically highest. The Seasonal Peak Periods shall not be less than one (1) hour and not longer than four (4) hours each Business Day in any Clean Peak Season; will be determined on a prospective basis no later than six (6) months prior to the next Compliance Year; shall be revised no more than once every three (3) years; and the Department reserves the discretion to exempt existing resources from adjustments to the Seasonal Peak Periods in effect at the time of their qualification.

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 4. 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:
 - 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.
 1. 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 seventy-five percent (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: twelve (12) a.m. until six (6) a.m. and eight (8) a.m. until four (4) p.m.
 2. Summer: twelve (12) a.m. until six (6) a.m. and seven (7) a.m. until two (2) p.m.
 3. Fall: twelve (12) a.m. until six (6) a.m. and nine (9) a.m. until three (3) p.m.
 4. Winter: twelve (12) a.m. until six (6) a.m. and ten (10) a.m. until three (3) p.m.

Clean Peak Season	Energy Storage Charging Windows	
	Wind-Based Charging Hours	Solar-Based Charging Hours
Spring	12am - 6am	8am - 4pm
Summer	12am - 6am	7am - 2pm
Fall	12am - 6am	9am - 3pm
Winter	12am - 6am	10am - 3pm

- 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. A facility that generates electricity, including a Qualified RPS Resource, shall not be considered a Demand Response Resource.
 - (2) Metering. A Clean Peak Resource shall meter and report fifteen (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 fifteen (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 (4) Clean Peak Seasons are established as:

1. Spring: March first (1st) through May fourteenth (14th);
2. Summer: May fifteenth (15th) through September fourteenth (14th);
3. Fall: September fifteenth (15th) through November thirtieth (30th);
4. Winter: December first (1st) through February twenty-eighth (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 five (5) p.m. until nine (9) p.m.
2. Summer: from four (4) p.m. until eight (8) p.m.
3. Fall: from four (4) p.m. until eight (8) p.m.
4. Winter: from four (4) p.m. until eight (8) 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: one (1)
- b. Summer: four (4)
- c. Fall: one (1)
- d. Winter: four (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 twenty-five (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 one and one-half (1.5).
- (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 one-tenth (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 one-hundredth (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 three-tenths (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 Qualified Energy Storage System~~ 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 (2) for years one (1) through ten (10) 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.

(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 a 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:
 - 1. A percentage of total market obligation of retail suppliers for any given compliance year;
 - 2. Proposal requirements;
 - 3. Length of contract terms; and
 - 4. A model contract including terms and conditions.
- (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.

(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 21.07 (1)(a).

<u>Compliance Year</u>	<u>Retail Contract Execution Date</u>	<u>Cumulative Minimum Percentage</u>
<u>2019</u>	-	<u>0.00%</u>
<u>2020</u>	-	<u>1.50%</u>
<u>2021</u>	-	<u>3.00%</u>
<u>2022</u>	-	<u>4.50%</u>
<u>2023</u>	-	<u>6.00%</u>
<u>2024</u>	-	<u>4.00%</u>
<u>2025</u>	-	<u>5.50%</u>
<u>2026</u>	<u>On or before 5/28/2026</u>	<u>7.00%</u>
	<u>After 5/28/2026</u>	<u>4.00%</u>
<u>2027</u>	<u>On or before 5/28/2026</u>	<u>9.00%</u>
	<u>After 5/28/2026</u>	<u>8.00%</u>
<u>2028</u>	<u>On or before 5/28/2026</u>	<u>13.00%</u>
	<u>After 5/28/2026</u>	<u>12.00%</u>
<u>2029</u>	<u>On or before 5/28/2026</u>	<u>19.00%</u>
	<u>After 5/28/2026</u>	<u>18.00%</u>
<u>2030</u>	<u>On or before 5/28/2026</u>	<u>25.00%</u>
	<u>After 5/28/2026</u>	<u>24.00%</u>
<u>2031</u>	-	<u>29.00%</u>
<u>2032</u>	-	<u>31.00%</u>
<u>2033</u>	-	<u>32.50%</u>
<u>2034</u>	-	<u>34.00%</u>

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	47.0%
2027	89.0%
2028	123.0%
2029	189.0%
2030	245.0%
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.

(c) Compliance for Retail Load Served under Existing Contracts. The following methodologies will be used to calculate the compliance obligations and resulting Minimum Standards that apply to electrical energy sales that were subject to contracts executed or extended prior to certain dates as prescribed in 225 CMR 21.07(1)(c)1.

1. Minimum Standard for Retail Load Served under Contracts Executed on or Before May 28, 2026. The CPS Minimum Standard applied to Retail Electricity Suppliers for that portion of electrical energy sales that were subject to a contract executed or extended prior to May 28, 2026 is detailed in 225 CMR 21.07(1)(a). These provisions apply unless the Retail Electricity Supplier provides documentation, satisfactory to the Department, identifying the terms of such contracts executed after May 28, 2026 including but not limited to, the execution and expiration dates of the contract and the annual volume of electrical energy supplied. These provisions will not apply to electrical energy sales that were subject to contracts executed or extended prior to May 28, 2026 if a Retail Electricity Supplier provides an affidavit from an officer attesting that End-use Customers' retail rates were calculated with the CPS Minimum Standard after May 28, 2026 in 225 CMR 21.07(1)(a).
- (2) After 2050, the CPS Minimum Standard shall cease to exist unless modified by law.
- (3) Beginning in 2024 and not less frequently than every four years thereafter, the Department shall conduct a review of the CPS Minimum Standard and, following stakeholder review and input, may modify the standard.

21.08 : Compliance Procedures for Retail Electricity Suppliers

(1) Standard Compliance. Each Retail Electricity Supplier shall be deemed to be in compliance with 225 CMR 21.00 if the information provided in the Compliance Filing submitted pursuant to 225 CMR 21.09 is true and accurate and demonstrates compliance with 225 CMR 21.07.

(2) Banked Compliance. A Retail Electricity Supplier may use Clean Peak Energy Certificates produced in one Compliance Year for compliance in either or both of the two (2) subsequent Compliance Year(s), subject to the limitations in 225 CMR 21.08(2) and provided that the Retail Electricity Supplier is in compliance with 225 CMR 21.00 for all previous Compliance Years. In addition, the Retail Electricity Supplier shall demonstrate to the satisfaction of the Department that such Clean Peak Certificates:

- (a) were in excess of the Clean Peak Energy Certificates needed for compliance in the Compliance Year in which they were generated, and that such excess Clean Peak Energy Certificates have not previously been used for compliance with 225 CMR 21.00;
- (b) do not exceed 30% of the Clean Peak Energy Certificates needed by the Retail Electricity Supplier for compliance with the CPS Minimum Standard in the year they were generated, subject to 225 CMR 21.09(2)(d);
- (c) were produced during the Compliance Year in which they are claimed as excess; and
- (d) have not otherwise been, nor will be, sold, retired, claimed or represented as part of electrical energy output or sales, or used to satisfy obligations in jurisdictions other than Massachusetts.

(3) Alternative Compliance. A Retail Electricity Supplier may discharge its obligations under 225 CMR 21.07, in whole or in part, for any Compliance Year by making an Alternative Compliance Payment (ACP) to the MassCEC. Such funds shall be held in an account separate from other accounts of the MassCEC.

- (a) CPS Procedures. A Retail Electricity Supplier shall receive Alternative Compliance Credits from the Department, subject to the following:

1. The quantity of Alternative Compliance Credits that can be applied to its obligations under 225 CMR 21.07(1) shall be determined by dividing the total of ACPs paid for the Compliance Year by the ACP Rate for that Compliance Year.

2. The ACP Rate for the CPS Minimum Standard shall be \$45 per required Alternative Compliance Credit for Compliance Year 2020. The ACP rate shall remain \$45 through Compliance Year 2025. Starting Compliance Year 2026, the ACP Rate shall be \$65 through Compliance Year 2032. Thereafter, the ACP Rate shall be \$45 and will hold fixed at that price for the remainder of the program, subject to the provisions of 225 CMR 21.08(3)(a)3.

3. Beginning in 2024 and not less frequently than every four years thereafter, the Department shall conduct a review of the ACP Rate and, following stakeholder review and input, may modify the ACP rate.

4. The Retail Electricity Supplier shall include with its Annual Compliance Filing copies of any ACP receipt(s) for ACPs made to the MassCEC for the Compliance Year.

- (b) Use of Funds. The Department shall oversee the use of ACP funds by the MassCEC, so as to further the commercial development of Clean Peak Resources or promote projects or activities that reduce greenhouse gas emissions or ratepayer costs.

21.09 : Annual Compliance Filings for Retail Electricity Suppliers

(1) Date of Annual Compliance Filing. For each Compliance Year, the Retail Electricity Supplier annually shall file an annual Compliance Filing with the Department no later than the first day of July, or the first Business Day thereafter, of the subsequent Compliance Year.

(2) Contents of Annual Compliance Filing. For each Retail Electricity Product, the Filing shall document compliance with the provisions of 225 CMR 21.07 and 21.08 to the satisfaction of the Department and shall include, but not be limited to, the following:

- (a) Total Electrical Energy Sales to End-use Customers. Documentation of the total MWhs of electrical energy allocated by the Retail Electricity Supplier to End-use Customers in the Compliance Year.
- (b) Electrical Energy Sales to End-use Customers by Product. Documentation of the total MWhs of each Retail Electricity Product allocated to End-use Customers in the Compliance Year, verified by an independent third party satisfactory to the Department, consistent with the Guidelines. Such allocation is defined as the quantity of the Retail Electric Supplier's certificates obligation that the Retail Electric Supplier correctly allocated or should have allocated to each of the Retail Electric Supplier's Massachusetts retail subaccounts at the NEPOOL GIS, in compliance with all relevant provisions of Part 4 of the NEPOOL GIS Operating Rules, or any successor rules, as specified in the Guideline on the Determination of Sales to End-use Customers. The Department shall keep product information confidential to the extent permitted by law.
- (c) Clean Peak Energy Certificates Allocated from the Compliance Year. Documentation of the total MWhs of each Retail Electricity Product allocated to End-use Customers that were derived from Clean Peak Resource generation during the Compliance Year.

- (d) Clean Peak Energy Certificates Allocated from Banked Compliance. Allocation by Retail Electricity Product of any quantity of Clean Peak Resource Generation Attributes banked from previous years pursuant to 225 CMR 21.08(2) that are used to demonstrate compliance with the CPS Minimum Standard in the current Compliance Year.
- (e) Alternative Compliance Credits. Allocation by Retail Electricity Product of any Alternative Compliance Credits claimed pursuant to 225 CMR 21.08(3)(a), along with a copy of any Alternative Compliance Payment receipt(s); and
- (f) Attributes Banked for Future Compliance. Identification of any quantity of Attributes from Clean Peak Resource Generation, that the Retail Electricity Supplier anticipates claiming for purposes of Banked Compliance in subsequent years under the Banked Compliance provisions of 225 CMR 21.08(2).
- (g) Exempt Contracts Under Minimum Standard. Identification of any contract for a specific term of years that was executed before January 1, 2020, and its terms including but not limited to, the execution and expiration dates of the contract and the annual volume of electrical energy supplied.

21.10 : Reporting Requirements

(1) Certification. Any person required by 225 CMR 21.00 to submit documentation to the Department shall provide:

- (a) the person's name, title and business address;
- (b) the person's authority to certify and submit the documentation to the Department; and
- (c) the following certification: "I hereby certify, under the pains and penalties of perjury, that I have personally examined and am familiar with the information submitted herein and based upon my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties, both civil and criminal, for submitting false information, including possible fines and imprisonment."

(2) Annual Clean Peak Resource Report. The Department shall produce and make available to the public an annual report that summarizes information submitted to the Department by Retail Electricity Suppliers in the Annual Compliance Filings submitted to the Department pursuant to 225 CMR 21.09(2). Such report shall include non-confidential data that provides the following:

- (a) the extent to which the Retail Electric Suppliers complied with the CPS Minimum Standard; and
- (b) the extent to which the Retail Electric Suppliers used standard compliance, banked compliance, and alternative compliance in meeting the Minimum Standards.

(3) Identification of Clean Peak Resources. The Department shall inform the NEPOOL GIS administrator which resources should be designated as Clean Peak Resources pursuant to 225 CMR 21.00.

21.11 : Inspection

(1) Document Inspection. The Department may audit the accuracy of all information submitted pursuant to 225 CMR 21.00. The Department may request and obtain from any Owner, Operator, or Authorized Agent of a Clean Peak Resource, including Aggregations, and from any Retail Electricity Supplier information that the Department determines necessary to monitor compliance with and enforcement of 225 CMR 21.00.

(2) Audit and Site Inspection. Upon reasonable notice to a Retail Electricity Supplier or to a Clean Peak Resource Owner, Operator, or Authorized Agent, the Department may conduct audits, which may include inspection and copying of records and/or site visits to a Clean Peak Resource or a Retail Electricity Supplier's facilities, including, but not limited to, all files and documents that the Department determines are related to compliance with 225 CMR 21.00.

21.12 : Non-compliance

Any Retail Electricity Supplier or Owner, Operator, or Authorized Agent of a Clean Peak Resource or Aggregation that fails to comply with the requirements of 225 CMR 21.00 shall be subject to the provisions in 225 CMR 21.12(1) through (4).

(1) Notice of Non-compliance. A failure to comply with the requirements of 225 CMR 21.00 shall be determined by the Department. A written Notice of Non-compliance shall be prepared and delivered by the Department to any Retail Electricity Supplier or Owner, Operator, or Authorized Agent of a Clean Peak Resource or Aggregation that fails to comply with the requirements of 225 CMR 21.00. The Notice of Non-compliance shall describe the Requirement(s) with which the Retail Electricity Supplier, Owner, Operator, or Authorized Agent failed to comply and the time period of such non-compliance.

(2) Publication of Notice of Non-compliance. A Notice of Non-compliance may be published on the Department's website and in any other media deemed appropriate by the Department. Such publication may remain posted until the Retail Electricity Supplier or Owner, Operator, or Authorized Agent returns to compliance as determined by the Department.

(3) Planning Requirement. A Retail Electricity Supplier that fails to meet the requirements of 225 CMR 21.07 during a Compliance Year shall submit a plan for achieving compliance for the subsequent three years. The plan shall be filed with the Department no later than the first day of September of the Compliance Year subsequent to the Compliance Year for which the Retail Electricity Supplier was out of compliance or such date as the Department may specify.

(4) Suspension or Revocation of License. The Department shall refer its findings of noncompliance to the DPU. A Retail Electricity Supplier that fails to comply with 225 CMR 21.00 may be subject to the DPU Licensure Action under 220 CMR 11.07(4)(c)1.

(5) Collection of Financial Security. In the event that a Retail Electricity Supplier fails to discharge its annual obligations by September 1st under 225 CMR 21.07, by the means described in 225 CMR 21.08(1) through (4), the Department will notify the Retail Electricity Supplier that it must provide the Department with a payment using the financial security provided pursuant to 225 CMR 14.08(4), unless a Retail Electricity Supplier has an approved

alternative payment plan to discharge its annual obligations in full that has been approved by the Department prior to September 1st. The payment shall, within 30-days of notification by the Department, be paid to MassCEC for deposit into a segregated account as required by 225 CMR 21.08(3) and shall be in an amount equal to the lesser of:

(a) the amount of Alternative Compliance Payments that the Retail Electricity Supplier must make in order to discharge its annual obligation under 225 CMR 21.08; or

(b) the full amount of the financial security.

(6) Partial Compliance. In the event that the collection of financial security under 225 CMR 21.12(5) results in the collection of an amount of Alternative Compliance Payments that is insufficient to discharge a Retail Electricity Supplier's full annual obligations under 225 CMR 21.07, the Retail Electricity Supplier will remain in a state of non-compliance, and the Department will take the necessary actions to document and enforce this non-compliance, pursuant to 225 CMR 21.12(1) through (4).

(7) The Department reserves all rights to take any and all appropriate actions to ensure the collection of all Alternative Compliance Payments owed to ensure annual compliance obligations are fully discharged by a Retail Electricity Supplier, including, but not limited to, filing a petition with the Department of Public Utilities requesting an investigation into a supplier that is deemed to be in non-compliance by the Department.

21.13 : Severability

If any provision of 225 CMR 21.00 is declared invalid, such invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

REGULATORY AUTHORITY

225 CMR 21.00: M.G.L. c. 25A, § 17(c).