

Appendix B: Summary of Stakeholder Feedback

DOER received feedback from eight stakeholders on this report. This appendix presents a consolidation of their feedback, organized by the principles laid out in the report body.

Principle 1: Sustain Massachusetts' lead on energy efficiency

Multiple commenters appreciated the study's emphasis on building codes and "efficiency first" approach to load management. Some noted the challenges with funding and implementing electrification, controls, and operational upgrades in large, complex buildings, and encouraged DOER to ensure these challenges were reflected in load and energy efficiency planning forecasts, as well as identification of which buildings were most inefficient. One commenter emphasized the importance of prioritizing energy efficiency efforts in environmental justice communities, reiterating the analysis in the accompanying technical report of the various, outsized benefits of load management for these communities. This commenter recommended addressing barriers faced by renters and residents of older housing stock and households requiring pre-weatherization or health and safety repairs and integrating load management into state rebate eligibility.

Finally, one commenter noted the peak reduction potential of ground source heat pumps and suggested inter-agency collaboration to advance ground source heat pump training and workforce development prior to offering public-facing rebates.

Principle 2: Scale EV load management as a no-regrets strategy

Commenters universally supported the advancement of managed charging as a high-priority strategy, with calls for program and rate design that support easy customer participation, customer protection, clear performance expectations, and interoperability. One commenter encouraged DOER to consider municipal and institutional fleets in managed charging and universal bidirectional charging (V2X) strategies, as well as to recognize operational constraints and service requirements when designing programs for fleet managed charging. Another commenter noted the importance of creating new commercial and industrial customer managed charging programs, as well as working with vehicle manufacturers across vehicle classes to recruit participants. This commenter also cautioned against overly prescriptive bidirectional charger requirements, to ensure that programs strike an appropriate balance of encouraging new technology development and deployment while ensuring new products meet minimum interoperability and reliability requirements to facilitate smooth grid interconnection. Given the high upfront costs of bidirectional chargers, one commenter encouraged the implementation of V2X equipment adders within broader utility infrastructure programs, to encourage low- and moderate-income customer participation.

Principle 3: Pay customers for supporting the grid

Commenters supported DOER's focus on tying load management resources together through holistic program and market design to ensure that customers can leverage multiple value streams that are aligned with system needs, including societal benefits such as avoided emissions. Commenters differed in their views on technology-agnostic program design. One commenter recommended technology-agnostic program design that was accessibility-focused, based on observed and verified performance, stackable across value streams, and enabled aggregation across customer size and types. Another suggested using the term "technology-inclusive" rather than "technology-neutral", to recognize the different benefits and limitations of various load management technologies, with distinct participation parameters and incentives for each resource type. One commenter noted the benefits of technology-neutral incentives and easy program enrollment to low-income customers, suggesting that existing programs require customers to purchase specific smart devices that could pose unnecessary barriers for renters and low-income households. In a similar vein, one commenter encouraged program design and associated device requirements to develop pathways for participation of customers with outdated technologies, via easy, inexpensive retrofits.

On time-varying rates, one commenter stated support for shadow billing to ensure customers could opt for rates most beneficial to them. Another commenter stated strong support for ensuring that load management incentives reflect the benefits of reduced supply costs, requiring clear communication of verified performance to retail suppliers, including municipal aggregations and competitive suppliers. To that end, the commenter suggested exploring complementary approaches to building load management performance into supply pricing, either retroactively providing customers with bill credits for measures peak reduction or proactive fixed rate products with built-in peak reduction performance assumptions.

Finally, one commenter supported the report's emphasis on addressing the upfront cost barriers of DER adoption, recommending the development of a range of ownership and financing models. This could be supported by reducing uncertainty for technology developers via clear signaling of minimum interoperability and telemetry capabilities.

Principle 4: Support innovation in customer-centric aggregation

Commenters noted the need for transparent coordination across programs, rates, and market participation to ensure that conflicting price signals for customers did not impede progress towards different policy objectives and avoided double compensation for the same grid services provided. One commenter encouraged utilities and third-party aggregators to utilize AMI systems to better understand customer behavior and load management measure reliability, as well as to target high-potential customers. One commenter suggested limiting licensing and payment requirements for DER aggregators to strike a balance of customer protections and speedy deployment of aggregated load management solutions. Finally, one commenter noted the need for the state and investor-owned utilities to work with municipal aggregations to ensure the development of coordinated load management programs in communities served by municipal aggregations.

Principle 5: Ensure equitable access and distribution of benefits

Multiple commenters flagged the value of “accessibility-first” technology-neutral compensation approaches in limiting participation barriers for low-income customers, including time-varying rate design with adequate protections, targeted outreach, and adequate equipment incentives to support vulnerable customers. One commenter emphasized the need to recognize workforce development as an equity outcome, to support the training, certification, and career pathways of residents of environmental justice communities. This commenter also flagged the importance of early-stage consultation with environmental justice communities and advocates on program objectives, design, and tradeoffs, leaning on community-based organizations to help shape inclusive, effective programs.

Principle 6: Align utility incentives with affordable load growth

One commenter suggested framing load management as a complement for necessary physical infrastructure, rather than as a substitute, given the significant distribution system investments that will be necessary to replace aging assets and accommodate electrification-driven load growth. This commenter also emphasized the need for predictable regulatory treatment and aligned incentives for utilities with high-priority policy outcomes, suggesting that calls for revenue recoupling were premature, given the need for incremental buildout of the grid to facilitate electrification consistent with the Commonwealth’s planned energy transition pathway. Finally, this commenter flagged that early-stage load management performance incentives for utilities should be tied to participation, capability, and dispatchability of DERs, rather than observed peak reduction performance, with a transition to outcome-based design (including location-specific valuation, as well as societal and community benefits) once load management technologies and measures mature.

Another commenter flagged the need for load management utility incentive mechanisms to be tied to utilities’ demonstration of program performance, and for pilot programs to shift risk and costs away from participants to utilities, prior to widespread deployment. This commenter also suggested reviewing the balance of compensation across customers and utilities created by the existing savings sharing mechanisms in the ConnectedSolutions program.

Multiple commenters flagged the need for breaking down regulatory silos, urging state agencies to provide more context on and coordination of different load management, grid modernization, rate design, and electric vehicle planning efforts to near- and long-term pathways to achieving policy outcomes. In a similar vein, one commenter suggested that DOER request the DPU to initiate an investigation into load management, with the goal of creating programs to achieve the potential identified in this study.