

IIRG

Flexible Interconnection Subgroup

05/19/26

Agenda

1. Recap DPU Update
2. Flex IX Guidelines & Implementation Plan Status
3. Review initial conclusions, open questions & next steps for each topic
4. Review formal next steps

Review DPU Update

DPU Update (Filed 4/08/2026)

Next Steps and Timing

Moving forward, the Flex IX Subgroup intends to incorporate feedback from its members and the March 2026 workshop to develop common comprehensive materials to begin implementing Flex IX offerings, including the following steps:

1. **Objective:** Develop a statewide common comprehensive set of Flex IX offerings for distributed generation (“DG”)5 interconnection applicants in an iterative manner based on system, customer and market needs, which are expected to include:
 - a. Dynamic curtailment
 - b. Dispatch limiting schedules
 - c. Flex IX as a bridge to wires
2. **Scope:** Prioritize 1) development of Flex IX offerings that can accelerate DG integration in the near-term for DG projects seeking to mitigate federal legislation/tax credit impacts (e.g., bridge to wires) and 2) development of Flex IX offerings that represent a scalable, long-term framework (e.g., dynamic Flex IX).
3. **Deliverables:** The group anticipates developing several coordinated deliverables:
 - a. ***A Flex IX Guidelines document*** detailing different Flex IX approaches and program details, including but not limited to curtailment strategy, technical analyses, and design expectations;
 - b. ***Implementation Plan*** document(s) detailing concrete steps for each EDC to make dynamic Flex IX offerings available; and
 - c. ***Templates*** to support the Flex IX offerings (e.g., curtailment studies, interconnection agreements, and technical requirements).

DPU Update (cont.)

Timing

The Flex IX Subgroup intends to accomplish these steps under the following estimated timeline:

1. Develop draft Flex IX Guidelines and Implementation Plan document(s) (Apr-Jul 2026)
2. Present Flex IX documents to full IIRG for comment (Jul-Aug 2026)
3. Present Flex IX Guidelines and Implementation Plan to the Department (Q3-Q4 2026)
4. Make available the first iteration of Flex IX offerings (TBD - based on program design, EDC capabilities, and required Department review)

Flex IX Guidelines & Implementation Plan Status

Flex IX Guidelines and Implementation Plan: Status

- Flex IX Guidelines document was shared and intended to seek upfront feedback on *overall structure*
 - Co-chairs are still reviewing comments
 - Updated version will be shared post-stakeholder engagement on outstanding issues
- Flex IX Implementation plan draft still needs to be developed
- Flex IX Templates still need to be developed

Review Post-workshop Topics & Next Steps

Key Programmatic Topics

Topic
Curtailment & Financing Strategy*
Curtailment %
Curtailment Allocation Methodology
Curtailment Studies & Reports
Curtailment Risk Management & Financing
Interconnection Rules*
Interconnection Process
Queue Management
Interconnection Agreement

Topic
Technical & Operational Requirements*
Technical Standards & Guidance
Curtailment Notification & Reporting
Site Cost Estimates
Program Launch*
DERMS Rollout & Substation Prioritization
Substation Capacity Calculation
Launch process & Communication

Topic
Other Items
ISO-NE & ASO Studies
Post-upgrade Paradigm & Free Ridership
Standalone Storage*

*Discussed in workshop

Review initial conclusions, open
questions & next steps

Curtailment Target %

Initial Conclusions

- 5% curtailment target – region wide standard for scalable implementation

Open Questions

- Where should this be memorialized? (e.g curtailment study, ISA/Flex IX operating agreement etc.)
- What will the 5% MWh be measured against?

Next Steps

- Include in draft plan
 - Add nuance that different resources will be studied differently for the 5% assumption (ESS vs Solar)
- Add to template documents where this should be memorialized

Curtailment Allocation Methodology

Initial Conclusions

- First bucket: Pro-rata

Open Questions

- Additional clarity on how curtailment would mechanically work
- Second bucket: Pro-rata vs. LIFO?
- Where should this be memorialized? (e.g curtailment study, ISA/Flex IX Agreement etc.)

Next Steps

- Update draft plan to a) provide additional clarity on how this would mechanically work and b) detail subsequent buckets
- Add to template documents where this should be memorialized

Curtailment Study Methodology & Template

Initial Conclusions

- DER Industry data sharing is key
 - Standardized DER Profiles required per resource type (developed in collaboration with industry)
- EDC data sharing is key for financing
- Curtailment study templates should be published

Open Questions

- Determine study loading assumptions (75% vs 95%)
 - Study to determine tradeoff of certainty vs more DERs interconnected?
- Address how/if “clipping” affects studies
- Determine EDC data sharing scope
 - Historical 8760 hourly loading data, HC data, Seasonal system limits, Historical curtailment data (from existing flex IX facilities)
- Determine DER industry data sharing scope (per project vs. standardization):
 - Project-specific generation profiles, Load data & operating assumptions, AC/DC ratio & inverter specs, Overclocking/clipping assumptions

Next Steps

- Develop standardized DER profiles by resource type
- Determine what if any non-standardized DER data should be shared with EDCs for individual projects
- Develop standardized curtailment study templates including data that will be shared
- Update draft plan and curtailment study template to address a) loading assumptions and b) clipping

Interconnection Agreement

Initial Conclusions

- Two document approach (separate ISA and Flex IX Operating Agreement)
- Publish ISA/Flex IX Addendum template

Open Questions

- What should be memorialized in ISA/Flex IX Operating Agreement?
 - Curtailment target
 - Maximum size of pro-rata group
 - What can and can't change through life of facility and process for communication of change/change decision
 - Account for bridge to wires use case (flex -> firm) -> need separate language
 - Account for option where flex wants to convert to confirm if an upgrade is complete* (TBD if needed – future topic)
 - Site would need to request this option, would not be automatic
- What should be included in a Flex IX Operating Agreement vs a tariff? What provides the most flexibility?

Next Steps

- Develop ISA/Flex IX Addendum template (EDC action item)
- Update template based on what non-financing items should be memorialized (IIRG)
- Update template based on financing discussion (IIRG)

Technical & Operational Requirements

Initial Conclusions

- EDCs should standardize requirements as much as possible across EDCs
- EDCs should publish technical requirements document in advance of launch
 - Need to account for FEOC rules for approved devices
- EDCs should provide reporting on curtailment events

Open Questions

- Technical requirements (EDC first draft)
 - Early transparency on site requirement costs (estimation)
 - Publish approved manufacturers
 - Allow developer choice of certified devices
 - EDCs define performance requirements, not equipment specifications
- What is the fail safe strategy during loss of communications? (EDC first draft)
 - Day-ahead forecast?

Next Steps

- Determine site cost estimates
- Determine site requirements
- Develop and publish technical requirements documents
- Coordination with TSRG*

Queue Management

Initial Conclusions

- Identified initial scenarios:
 - Existing firm ISA holders (including group studies)
 - New projects (general)
 - New projects (<1MW scenarios)

Open Questions

- Have all the key scenarios been identified?
- Can the scenarios be prioritized? If so, which scenarios should be prioritized?
- What details need to be addressed for each scenario and what are the corresponding solutions?

Next Steps

- Queue management deep dive

Financing

Initial Conclusions

- Need to understand lessons learned from developers and banks that have financed flex IX
- Non-compensation cap options include:
 - Data sharing to support independent analysis
 - Conservative curtailment study assumptions
 - Memorializing pro-rata group total MW in flex IX operating agreement
- Compensation cap options include:
 - Tiered protection: 5% target + 10% cap reconciled over 3 years
 - Escrow Mechanism:
 - Developer pays fixed fee into escrow from day 1
 - Draws from escrow if curtailment exceeds cap after 3 years
 - Ratepayer backstop if escrow depleted

Open Questions

- Can developers finance flex IX projects without a compensation cap at scale?
- If so, what are best practices from financed projects and how can they be incorporated?
- If not, what are the full suite compensation cap mechanisms and the pros/cons?

Next Steps

- Education on flex IX financing best practices from proven developers and banks
- Assess viability of non-compensation cap options
 - If not viable, assess compensation cap options

Standalone Storage

Initial Conclusions

- Current market participation creates challenges from day-ahead or real-time curtailment

Open Questions

- Can standalone storage currently participate in dynamic flex IX?
- If not, what conditions could lead to participation?
- If not, what flex IX options are viable?
- If not, how should standalone storage be considered in initial dynamic flex IX rollout?

Next Steps

- Standalone storage deep dive

Implementation Process

Initial Conclusions

- Prioritize Bridge to Wires for ITC safe harboring

Open Questions

- **ITC:** Determine how flex IX can be used to support ITC safe harboring
- **Prioritization Factors:** Determine prioritization factors for where flex IX should be offered (non bridge to wires)
 - Thermal constrained areas (feeder and substation), CIP areas where upgrades were planned etc.
- **Formal Implementation:**
 - Determine whether EDCs should do flex IX potential study
 - Determine what National Grid DERMS can do today
 - Determine whether EDCs can do parallel implementation with DERMS rollout (i.e studies/offers while DERMS is deployed)
 - Determine target areas where Eversource can begin demonstrations
- **Launch Strategy:** What are the key steps to launch the program?
 - Where is information published and how is the launch communicated?

Next Steps

- Develop draft implementation plan document
- Implementation process deep dive
- Update with determinations on open questions

Regulatory

Initial Consensus Areas

- Ideally would move forward immediately regardless of whether approval is desired/required

Open Questions

- Is a tariff/regulatory approval required?
 - If so, what deliverables need to be approved? (e.g tariff)
 - If so, does everything need to be approved or parts of the proposal?
 - If so, can we implement in parallel while approval happens?

Next Steps

- Determine regulatory strategy

Outstanding Topics

- ISO-NE ASO Studies
- Post-upgrade Paradigm and Free Ridership
- Hybrid scheduled + dynamic flex ix approach

Formal Next Steps

Next Steps: How do we address remaining issues?

The IIRG will initiate several parallel workstreams:

- Ongoing IIRG working sessions to address each non-financing topics
 - Weekly or biweekly working sessions (dedicated blocks)
- Separate workstream to address financing (significant dependency)
- EDCs will develop templates for feedback
 - Curtailment study
 - Flex IX operating agreement
 - Technical/operational requirements

Thank You!
