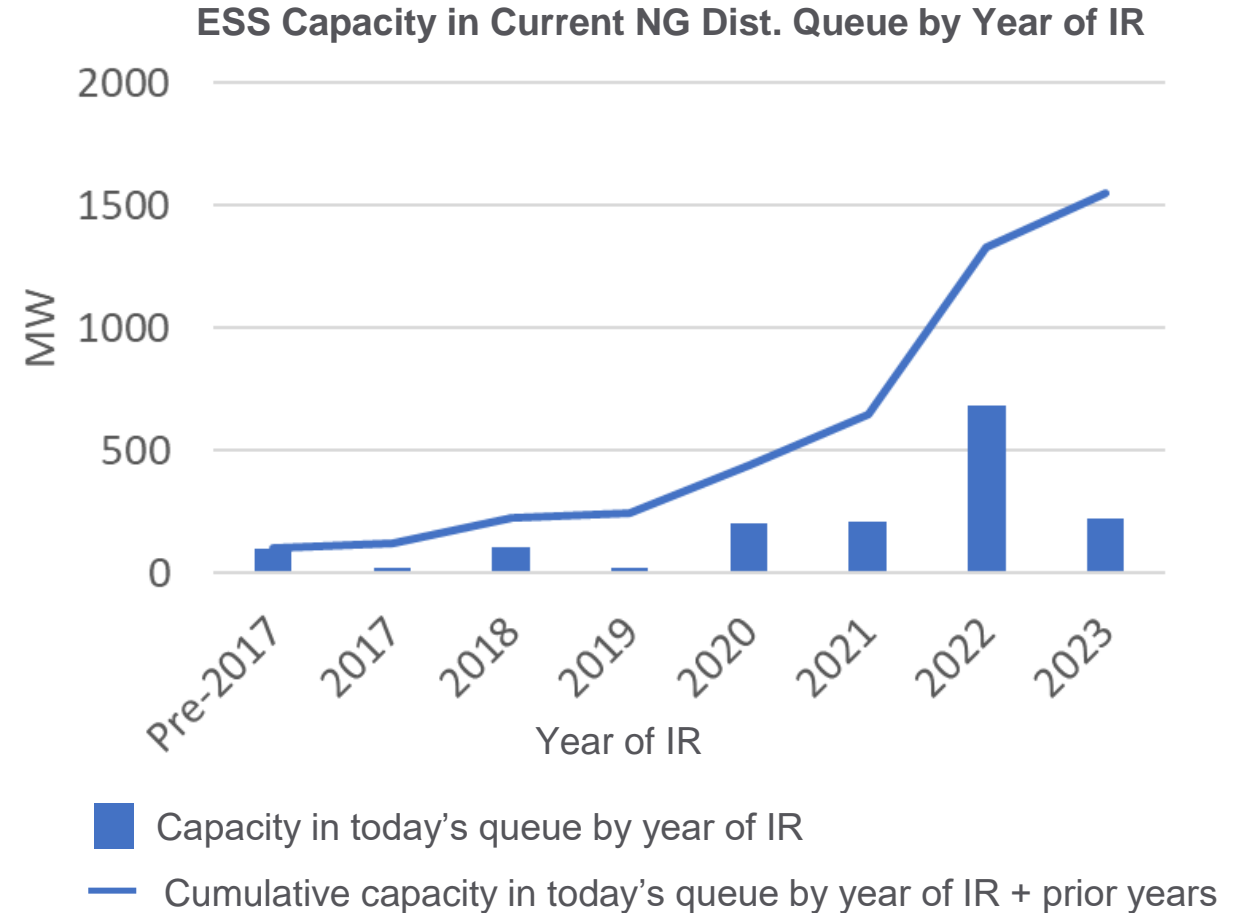


# ESS in National Grid Distribution Queue

- There is 1,550 MW of storage capacity in National Grid's current distribution queue.
- National Grid is in the process of developing tariffs with rates and operational parameters for distribution-connected ESS.



# ESS Wholesale Distribution Access Tariff (WDAT) Development

- **National Grid is developing a new FERC rate tariff with delivery rates for standalone energy storage system (ESS) charging.**
  - **Tariff will apply to ESS purchasing energy via National Grid's distribution system for resale in wholesale markets. Tariff will cover rates for load (i.e. charging), not export.**
  - **Rates will be based on National Grid's MA cost-of-service developed for the upcoming rate case and review of FERC accounts.**
- **We anticipate the rate will include 3 components:**
    1. **A customer charge**
    2. **A connection-level charge capturing local system costs**
    3. **An on-peak demand charge capturing shared system costs**
  - **On-peak rates will be shaped based on a review of programmatic periods (e.g., CPS charging windows) versus system peaks and peaks of other rate classes.**
  - **We have been providing periodic updates and opportunities for feedback to a group of ESS industry stakeholders.**
  - **We anticipate filing a rate at FERC by the end of this year.**

# MA State ESS Rate and Operational Parameters Tariff

- **National Grid is also in the process of developing a state ESS tariff, to be filed with DPU by October 31, 2023 (statutory deadline).**
  - **2022 legislation (H5060) directed utilities to file “at least 1 electric rate tariff which addresses operational parameters, to apply to energy storage systems interconnected to the distribution network.”**
- **We anticipate the tariff will include:**
    - **Operating parameters applicable to all distribution-connected ESS (wholesale and non-wholesale).**
    - **T&Cs to integrate current scheduling and curtailment choices into a tariff.**
    - **Rates for non-wholesale charging (i.e., charging not eligible for FERC tariff). We anticipate these rates will use a similar structure and cost basis as the FERC tariff.**
    - **Process improvements for distribution-level ESS connections.**