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Center**

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Department of Energy Resources
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Delivered electronically to doer.cps@mass.gov

To Whom It May Concern:

Acadia Center is a non-profit organization committed to advancing the clean energy future. Through research and advocacy, it works to empower consumers and offer real-world solutions to the climate crisis for all.

Acadia Center submits these comments in response to the “Stakeholder Q&A” issued by the Department of Energy Resources (DOER) on January 15th, 2019 regarding the Clean Peak Standard (CPS) established pursuant to the enactment of Chapter 227 of the Acts of 2018. Acadia Center believes that the Commonwealth and region should be moving towards a future where all electric resources should be clean, and that the development of flexible resources is a key step to maximizing benefits for consumers and properly integrating higher levels of renewable energy. However, the clean peak energy standard likely cannot satisfy every possible need and should not take the place of other important tools to incentivize clean and flexible resources. As a result, Acadia Center believes that DOER should focus on (1) applying the CPS in narrowly targeted ways to fill gaps in other policies, and (2) ensuring that the CPS will maintain a sufficient degree of flexibility as system needs continue to evolve over time. With those high-level themes in mind, the following are responses to a selected number of questions posed by DOER.

Definition of Clean Peak Resources (Questions 1 and 2)

The definition of clean peak resources used in the statute is fairly clearly linked to the “electric distribution system” in a manner that excludes transmission-level resources. Whether the definition should be limited to resources with a reasonable connection to the Commonwealth of Massachusetts appears to be more of a policy choice.

Definition of Demand Response Resources (Questions 3 to 8)

The definition of demand response resources appears intended to include both passive demand response (e.g., response to time-varying rates) as well as active demand response through more narrowly tailored incentive payments. Electric vehicles, advanced electric storage, and thermal storage could all reasonably qualify under the definition as long as these resources qualify as “electric usage by end-use customers in the Commonwealth”. However, standalone energy storage resources, which would not have clear linkage to “electric usage by end-use customers”, would have to separately meet the definition for a “qualified energy storage system” and would not be considered a “demand response resource”.

Seasonal Peak Periods (Questions 15 to 18)

DOER should focus on peak periods that drive substantial system costs, could pose higher reliability risks, or have much higher marginal emissions rates. To begin, it is not clear that the statute requires 4 seasonal peak periods and, at present, it does not appear that peaks in the spring or fall cause any of the above issues. Second, a 4-hour peak window may be ineffective to help address the issues that have occurred in New England during extreme cold snaps that have not been occurring every year, or at the same time every year. For example, a 4-hour peak window is not necessarily helpful during an event that lasts 24 hours or more. As a result, the present structure of the statute is most clearly applicable to the summer season, with peak issues being caused primarily by hot days.

The determination of the windows for each seasonal peak period might be better determined by a longer period of data, combined with an analysis of any clear trends that could be reasonably extrapolated going forward. DOER should establish a periodic review, perhaps every 2 to 3 years, to evaluate current peak periods and determine whether any adjustments should be made. It does not appear that the statute provides a mechanism for “atypical peak events.”

Sincerely,

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