

Program Materials for Connected Solutions for Small Scale Batteries

Contents

Summary	2
Participation Through an Approved Inverter Manufacturer	2
Incentive Payment Process	2
Number of Events	3
Eligibility Requirements	3
Enrollment Deadlines	3
Unsubscribing from the Program	4
No Transfer of Enrollment	4
Notification of Demand Response Events	4
Battery System Maintenance, Internet Connection, and Durability	4
Length and Time of Demand Response Events	4
Days for Demand Response Events	4
No DR Events Before Large Storms	5
Incentive Rates and Average Performance	5
Demand Response Performance	6
5-Year Incentive Lock	6
Co-Participation in ISO-NE Demand Resource Programs	6
Co-Participation in SMART	7
Co-Participation in Net Metering	7
Renewable Energy Plus Storage	7
Storage Only Systems	8
Enrollment Process	8
Testing	8
Terms and Conditions	8

Summary

ConnectedSolutions incentivizes customers to curtail their energy when demand on the New England electric grid is forecasted to be at its peak, known as Demand Response. Customers are compensated on a pay-for-performance basis for the average kW they curtail during dispatch events over the summer season.

A summary of the program is given in the table below:

Performance Incentive	For Eversource, National Grid and the Cape Light Compact Customers: \$275 per kW
Discharge Events per Season	30 to 60
Months Discharge Events Can Occur	June through September
Time Discharge Events Can Occur	3 p.m. to 8 p.m.
5-year incentive lock	Yes
- Customers can apply for a 0% HEAT Loan for the cost of the battery system with no down payment and a \$25,000 lifetime cap per account number. - Customers with battery inverter capacity of 50kW or less are eligible for the incentives in this table. Larger systems should enroll in the Daily Dispatch program. - The incentive rates listed here changed as of January 2023. The new incentives will be applied starting the summer of 2023.	

Participation Through an Approved Inverter Manufacturer

To participate in the program, the customer needs to have a battery storage system controlled by an approved inverter manufacturer. The approved inverter manufacturers are Enphase, Generac (formerly Pika Energy), SolarEdge, Sol-Ark, Outback Connected to Sonnen, SunPower, and Tesla. The battery integrators are responsible for communicating the need for a demand response event and sending the customer's battery storage systems discharge rate and state-of-charge to the customers' Program Administrator (Cape Light Compact, Eversource, or National Grid). During a demand response event, the battery will be remotely discharged without the customer's active participation. The discharge will be barely noticeable, if at all, by customers.

Incentive Payment Process

Incentive payments for summer performance will be made in October, November, or December of each year.

Incentive payments will be made to either the customer or other party depending on the selection made on the CUSTOMER INCENTIVE PAYMENT OPTIONS section of the customer application. Some installers or other parties may offer their customers an upfront discount on the customer battery system in exchange

for the customer selecting that their performance incentives are sent to that party. Such negotiations are between the customer and their installer or other party.

Number of Events

Discharge events are called to coincide not only with the ISO-NE (Independent System Operator of New England) peak hour, but also with the highest daily peaks in July and August. Events will only be called in June and September if the annual peak is forecasted to be in those months. Events will be called in July and August to try to mitigate the highest 40 daily peaks in those months. The Program Administrators will never call more than 60 events in a summer season.

Eligibility Requirements

To be eligible for this program, the customer must have a National Grid or Eversource electric service account in Massachusetts, where the demand response savings will be achieved. The customer must also pay into the energy efficiency fund on their electric bill. Most electric customers pay into the energy efficiency fund. Customers whose National Grid or Eversource electric service monthly bill has a line for “Energy Efficiency Prgms”, are eligible for this program. Customers in Unitil service territory are not able to participate currently.¹ Customers on the Cape or Vineyard are eligible for the program through the Cape Light Compact.

To be eligible for this program, the battery storage system must be considered a behind-the-meter (BTM) asset. BTM means a facility that serves an on-site load other than parasitic load or station load utilized to operate the facility.

Enrollment Deadlines

For a customer to ensure they receive their full incentive for the summer season, the customer’s application must be received by the customer’s Program Administrator by 11:59 p.m. on May 31 of that year. Customers can still enroll after May 31 for the summer season. However, the customers discharge performance will be set to zero (0 kW average) for any discharge events the customer missed.

Heat Loan

For customers who are interested in applying for a Heat Loan, the customer will need to fill out an intake form on the MASS Save website [here](#):

The customer is responsible for filling out the Heat Loan intake form and agreeing to terms and conditions. This form cannot be filled out by the customer’s vendor.

¹ Unitil customers should contact their program administrator customer support to learn more at 1-(888) 301-7700.

By applying for the Heat Loan for a battery storage system, the customer is agreeing to enroll in Connected Solutions once the battery storage system is online and interconnected.

Unsubscribing from the Program

Customers who enroll in the **ConnectedSolutions** program will remain in the program year over year until they provide written notice to their inverter manufacturer or Program Administrator that they would like to be removed from the program. Once a season starts, the customer must stay enrolled for the entire season to receive the incentive. A customer cannot unenroll part way through a season and receive the performance incentive for fewer events than all the other program participants.

No Transfer of Enrollment

Enrollment in **ConnectedSolutions** cannot be transferred from one customer to another. If a customer moves out of their residence/facility, and the new occupant would like to participate in **ConnectedSolutions**, they must submit a customer application and participate at the incentive rate offered at that time.

Notification of Demand Response Events

Notification of discharge events will be sent directly to the customer's inverter which controls their battery storage system. The customer normally does not need to take any action for their battery system to respond to a discharge event.

Battery System Maintenance, Internet Connection, and Durability

Customers, their inverter manufacturer or installer are responsible for maintaining the customer's battery storage system so that it can respond to dispatch events. The incentives in this program are calculated using the actual performance (in average kW over the duration of dispatch events) of the customer's battery system. If a battery system is not properly maintained, the internet connection to the battery system is not maintained, or any other aspect that would cause the battery system to discharge less or be unable to properly report performance, the incentive amount could be affected. Battery systems do degrade over time, causing them to be able to discharge less power and/or energy. This will also affect the incentive amount. Customers and their inverter manufacturer or installer should consider the possibility of smaller than anticipated incentive due to poor performance of their battery systems before enrolling in the **ConnectedSolutions** program.

Length and Time of Demand Response Events

Discharge events can last 2 or 3 hours. All events happen between 3pm and 8pm.

Days for Demand Response Events

Discharge events are called on weekends or weekdays. Events will not be called on the following holidays.

Dispatch Season	Holiday	Typical Date
-----------------	---------	--------------

Summer	Juneteenth	June 19
Summer	Independence Day	July 4
Summer	Labor Day	First Monday of September

No DR Events Before Large Storms

We realize many customers purchase energy storage systems in part for backup power during power outages. Most power outages in our region happen during the winter. The Program Administrators will not call events during Type 1 and Type 2 events as defined in the current National Grid Emergency Response Plan. The PAs will also make reasonable attempts to avoid calling events if large scale storms are forecasted. The PAs cannot account for outages resulting from isolated and/or localized storms. Customers should discuss the ability to opt out of an event with their battery manufacturer in this scenario.

Incentive Rates and Average Performance

The incentive rate for each option is shown in the table below.

Performance Incentive	For Eversource, National Grid and the Cape Light Compact Customers: \$275 per kW
-----------------------	---

The incentive rates refer to the average curtailment amount across all events of the dispatch season.

Performance per event is equal to the average discharge rate of the battery in kW-AC over the length of the event.

Performance for an event may not be increased by curtailing solar production to increase the battery discharge rate. For example, if the total production of the solar system and battery system is limited by the inverter size, the solar system cannot be limited during demand response events so that the battery can discharge more. Doing this would not decrease the load on the grid and would be against the goals of this program.

The table below shows the results of a fictional customer's curtailment performance over a summer that had four demand response events over the whole summer. There are many more events over the course of a summer.

Event	Performed Curtailment Amount
Event 1	2 kW
Event 2	3 kW

Event 3	3 kW
Event 4	0 kW

The customers average performance over the summer would be:

$$\text{Average Season Performance} = 2 \text{ kW} + 3 \text{ kW} + 3 \text{ kW} + 0 \text{ kW} = 2.0 \text{ kW}$$

4

The total incentive amount to be paid for this fictional customer would be:

$$\text{For Eversource, National Grid and Cape Light Compact Customers: } 2 \text{ kW} \cdot \frac{\$275}{\text{kW}} = \$550$$

Demand Response Performance

Performance is the average discharge from the battery system during the demand response event.

If a customer opts out of an event or has some communication or other issue that prevents them from discharging during an event, they will be given a 0 kW performance for that event. These will affect the customer's average performance and incentive. Approved inverter manufacturers must provide 24x7 15-minute interval, or more granular data, for the entire demand response season which performance is being calculated in order to receive fees or for their customers to receive performance-based incentives. This data is used to calculate performance and to evaluate the effectiveness of the baseline method.

5-Year Incentive Lock

The customer's per-kW incentive level is set for new installations for the first 5 consecutive years that the customer is in the offering with a new installation. New installations are defined as any installations in which the customer has submitted a completed interconnection application and it was received by the Program Administrator after 7/28/2020. Even if the incentive rate for new customers in the program changes during the first 5 years of the customer's participation, the incentive rate for that customer will remain the same. After the 5th year of participation, the customer will receive the incentive rate (if any) offered by the Program Administrator at that point in time.

Co-Participation in ISO-NE Demand Resource Programs

One of the benefits of the **ConnectedSolutions** program is the decrease in the long-term requirement for capacity (generation) in the ISO-NE markets, also known as the installed capacity requirement (ICR). Customers are not allowed to co-participate in **ConnectedSolutions** and any ISO-NE program that would cause the customer's curtailment in the **ConnectedSolutions** program to be reconstituted in the ICR, because this would negate one of the core goals of **ConnectedSolutions**. The current structure of ISO-NE's active forward capacity market does not systematically reconstitute **ConnectedSolutions** curtailment

into the ICR, and any reconstitution that does occur is rare. So, there is no issue with customers co-participating in both the forward capacity market and **ConnectedSolutions**.

Co-Participation in SMART

Customers may co-participate in SMART (Solar Massachusetts Renewable Target) Program and **ConnectedSolutions**. SMART provides an energy storage adder of applicable technologies.

The energy storage system adder in the SMART program is dependent on the energy storage system discharging at least 52 complete cycle equivalents per year or participating in a demand response program. **ConnectedSolutions** is an approved demand response program for purposes of this SMART requirement, and therefore, **ConnectedSolutions** customers do not need to fulfill the 52 complete cycle equivalent discharges per year. The Program Administrators are not responsible for payments or changes in eligibility associated with the SMART program. For more information, please see Section 5 of 225 CMR 20.00: SOLAR MASSACHUSETTS RENEWABLE TARGET (SMART) PROGRAM. By enrolling in Connected Solutions, the customer and their vendor agrees to allow the customer's PA to share Connected Solutions enrollment with the Department of Environmental Resources (DOER) for the purpose of certifying the fulfillment of the SMART operational requirements.

Co-Participation in Net Metering

Customers may co-participate in Net Metering and **ConnectedSolutions**. Net Metering provides an incentive for electricity generated from renewable sources, like solar PV and wind turbines.

Net Metering is capped at certain levels for each utility. However, the cap does not apply for systems smaller than 25kW. Please see section 220 CMR 18.02 "Nameplate Cap Exempt Facility," 220 CMR 18.07(5), and D.P.U. 23-140-A at 27-28 under "Nameplate Cap Exempt Facility Threshold". The 25kW cap only applies to the inverter nameplate capacity of the solar system, not the combined solar plus storage system nameplate capacity. So, the combined solar plus storage system inverter nameplate capacity may exceed 25kW, and the facility will still be eligible for net metering credits as long as the solar inverter nameplate capacity does not exceed 25kW.

Renewable Energy Plus Storage

Customers with interconnected renewable energy systems, such as solar PV and wind turbines, and energy storage systems, like batteries, may participate in **ConnectedSolutions**. The SMART Program may provide added incentives for energy storage systems that are charged by renewable energy systems. The battery system's ability to export is bounded by what is established in its approved interconnection agreement.

Please note that energy storage systems that charge from a net metering facility and the electrical grid; and can export to the electrical grid, are not eligible for net metering. Please see [D.P.U. 17-146-A](#) and [Energy storage and net metering webpage](#) for more details.

Storage Only Systems

Customers who don't have a renewable energy system but do have an energy storage system that charges from the electricity grid may participate in **ConnectedSolutions**. If the customer will be discharging electricity to the grid, they must go through the normal interconnection process. The battery system's performance is bounded by what is established in their approved interconnection agreement.

Enrollment Process

To enroll in the program, the customer must complete a **ConnectedSolutions** application. This form is available on the Mass Save website. The customer's battery manufacturer is responsible for submitting the customer's application to the customer's Program Administrator and registering the inverter into the battery control platform, if any.

Testing

A performance test event is not planned in this program. However, the Program Administrators may elect to run communication tests to ensure all notification processes are functioning.

Terms and Conditions

These program materials and participation in **ConnectedSolutions** are pursuant to and subject to the Terms and Conditions in effect for customer applications at the time that the application is approved by the Program Administrator. See the **ConnectedSolutions** application for more details.

Clean Peak

There are environmental attributes, or Clean Peak Energy Credits (CPECs), associated with your participation in ConnectedSolutions events. These are assigned to the Mass Save Sponsors and their partners, which helps the Sponsors meet their legal requirements under the [Massachusetts Clean Peak Standard](#). This has no effect on your participation incentives.