



August 31, 2026

RE: Nexamp Comments in D.P.U. 26-62, Inquiry by the Department of Public Utilities on its own Motion into the Design and Implementation of Time-Varying Rates.

Nexamp, Inc. ("Nexamp") respectfully submits these comments in response to the Department of Public Utilities' ("Department") Vote and Order Opening Inquiry in D.P.U. 26-62 concerning time-varying rates ("TVR"), including the Department of Energy Resources' ("DOER") proposed rate framework.

I. INTRODUCTION

Nexamp supports well-designed TVR that gives customers meaningful opportunities to manage their bills and encourages solar, storage, demand response, and other distributed energy resources ("DERs") to respond to system needs. A successful transition, however, requires more than adopting a peak period and changing tariffs. It requires a complete, predictable, and financeable framework for customer choice, net-metering credits, data access and implementation protections.

Nexamp therefore recommends that the Department:

- Reject DOER's proposal for a monthly minimum reliability contribution ("MMRC") imposed specifically on NEM customers who decline or leave TVR.
- Confirm that NEM credits will be valued using the applicable time-varying rates, converted to dollars, and usable across the customer's bill.
- Pair TVR price signals with practical pathways for existing solar and community-solar projects to shift generation into priority periods, including feasible storage-retrofit and flexible-operating options.
- Evaluate TVR together with the related proposals in D.P.U. 25-200 and address their cumulative effects on existing systems and customers.
- Require robust customer-authorized data access, and penalty-free rate switching for customers and the projects serving them.

II. THE DEPARTMENT SHOULD PROVIDE A PRACTICAL OPT-OUT AND REJECT THE PROPOSED MMRC

The Department should provide a practical, operationally simple opt-out for customers and for the projects serving them. An opt-out that carries a material additional charge is not a meaningful opt-out. Accordingly, the Department should reject DOER's proposal to impose an MMRC specifically on NEM customers who decline or leave TVR.

A project or customer account operating under an existing NEM arrangement should not be required to adopt time-varying crediting, alter its operating configuration, or accept an MMRC solely because the customer elects not to take service under TVR. The Department should make clear that exercising an

opt-out may not trigger an MMRC, a comparable surcharge, a change in crediting treatment, or other adverse treatment for the customer, project, or subscriber arrangement.

The current record does not demonstrate that the proposed MMRC would equitably allocate fixed distribution-system costs. Nor has DOER established a sufficient relationship between a customer's decision to accept or decline TVR and the customer's contribution to fixed distribution-system costs. An MMRC imposed because a customer selects a non-TVR rate would function as a penalty for exercising a rate choice, rather than as a cost-based allocation of system costs.

Existing distributed solar already provides system value, including by reducing daytime demand and helping shape the timing and magnitude of system peaks. It is therefore inappropriate to treat participating customers who decline TVR as though they provide no system benefit or to penalize them for declining a rate structure that may not be suitable for their load profile or contractual circumstances.

III. NEM CREDITS MUST RETAIN THEIR MONETARY, CROSS-PERIOD VALUE

The Department's net-metering regulations already contemplate valuing net excess generation by time of use where applicable and expressing the resulting credit in dollars. The Department should confirm that this treatment will continue under TVR.

Nexamp recommends that the Department require the electric distribution companies ("EDCs") to:

- Value exports using the applicable time-varying charges for the period in which the generation occurs.
- Convert the resulting credit to a monetary amount at the end of the billing period.
- Apply that monetary credit to the customer's remaining bill, regardless of the period in which the customer later consumes electricity.
- Apply the same principle to credits allocated to community solar subscriber accounts, such that once allocated credits are converted to a monetary value, their use is not restricted based on the subscriber's consumption period.
- Disclose the calculation and application of credits in a clear, auditable format.

The Department should reject any structure that requires separate kilowatt-hour credit banks by period, limits an on-peak monetary credit to on-peak consumption, or otherwise prevents a customer from applying the full monetary value of its credits to charges incurred in other periods. This consideration is particularly relevant for community-solar customers, whose generation and consumption are inherently separated.

IV. EXISTING SYSTEMS AND THE CUMULATIVE IMPACT OF RELATED RATE-DESIGN CHANGES

The Department should evaluate the effects of TVR on existing solar, solar-plus-storage, and community-solar systems in conjunction with the related rate-design proposals under D.P.U. 25-200. In D.P.U. 25-200, the Department is considering proposals to move certain volumetric reconciling mechanisms—including the Residential Assistance Adjustment Factor (“RAAF”) and Energy Efficiency Reconciliation Factor (“EERF”)—to fixed or non-bypassable charges and to examine the value of net-metering credits. Those proposals could materially affect the economics of existing systems and the customers they serve.

These considerations should not be evaluated in isolation. An existing project or customer may be affected simultaneously by: (1) the proposed TVR price signal and period-specific treatment of usage and exports; (2) an MMRC or other charge imposed on NEM customers who opt out; (3) higher fixed or non-bypassable delivery charges; and (4) a reduction in the charges included in the value of NEM credits. The combined effect could be substantially greater than the effect of any individual proposal, reducing customer savings, project revenue, subscriber credits, and the financeability of existing investments.

Many existing systems were financed, contracted, and allocated to customers based on the rules and credit values in effect when the projects were developed. A change in one component of the bill may also affect SMART economics, community-solar subscriber arrangements, tax-equity and debt assumptions, and applicable customer-savings or disclosure obligations. The Department should not assume that SMART incentive payments will automatically compensate for a reduction in retail-energy or net-metering-credit value.

Existing systems and customers should receive due consideration including grandfathering, delayed enrollment, bill protection, or other mitigation sufficient to prevent material harm where the combined effect of these changes would materially reduce expected customer or project value.

V. TVR SHOULD ENCOURAGE FLEXIBILITY, NOT PENALIZE INFLEXIBILITY

DOER correctly identifies that TVR can encourage customers and DERs to respond to system needs. But a price signal alone does not give an existing solar project the physical capability to shift generation. Many projects were designed and financed without storage and may face interconnection, equipment, site, permitting, contractual, and revenue constraints if they attempt to add it.

The Department should therefore direct DOER, the EDCs, and stakeholders to develop practical pathways for existing NEM, and community-solar projects to respond to TVR signals and to identify barriers, including in interconnection requirements and processes.

The Department should not assume that every existing solar project can or should add storage. Some projects will lack physical space, electrical headroom, permitting feasibility, interconnection capacity, or sufficient recurring revenue to support a financeable retrofit. Other projects may be able to provide flexibility through operating changes, aggregation, or other measures. Projects that cannot feasibly add storage should not be subject to an MMRC or other penalty merely because storage is infeasible.

VI. PEAK-PERIOD SELECTION AND IMPLEMENTATION REQUIRE A COMPLETE RECORD

The Department should not adopt the proposed 4:00 p.m. to 8:00 p.m. peak period as a final statewide period based on the current record. The EDCs should provide transparent, territory-specific analyses comparing, at a minimum, 3:00 p.m. to 7:00 p.m., 3:00 p.m. to 8:00 p.m., and 4:00 p.m. to 8:00 p.m. The analyses should identify the share of annual, monthly, transmission, distribution, and energy peaks captured by each alternative and should evaluate effects on solar-only, solar-plus-storage, storage, community-solar, electric-vehicle, heat-pump, and other flexible-load customers.

VII. CUSTOMER PROTECTIONS, BILL IMPACTS, AND DATA ACCESS

Before implementation, bill-impact analyses should be disaggregated by service territory, customer class, usage level, income and discount-rate status, and technology. They should separately evaluate existing NEM facilities, community-solar subscribers, SMART projects, solar-plus-storage projects, and other relevant configurations. The analyses should identify changes in customer savings, project revenue, subscriber credits, credit balances, customer churn, and compliance with applicable customer-savings and disclosure requirements.

All customers should have timely, machine-readable access to interval usage data organized against the applicable rate periods. Customers should be able to authorize appropriate third parties to access the data needed to evaluate rate choice, size and dispatch storage, calculate community-solar bill impacts, and identify other opportunities.

Rate switching should be penalty-free. A customer should be able to move between TVR and the otherwise applicable rate without a fee, waiting period, recurring charge, or procedural barrier. The customer's election should not trigger a change in NEM crediting, subscriber treatment, project operating requirements, or other adverse treatment solely because the customer declined or left TVR. Default enrollment should not become mandatory by means of an MMRC or comparable charge.

VIII. CONCLUSION

Nexamp supports Massachusetts' effort to modernize electric rates, but the Department should ensure that TVR advances rather than undermines the Commonwealth's affordability, reliability, electrification, and clean-energy objectives.

Nexamp respectfully requests that the Department:

- Decline to approve an MMRC specifically for NEM customers who decline or leave TVR, and ensure that customers and the NEM projects and arrangements serving them have a practical, penalty-free opt-out.
- Preserve the monetary, cross-period value of NEM and community-solar credits.
- Evaluate TVR together with the related proposals in D.P.U. 25-200 and address their cumulative effects on existing systems, customers, and commitments.
- Establish practical, financeable pathways for existing solar projects to add storage or otherwise provide flexibility, including workable interconnection and program-eligibility rules.

The Department should pair TVR price signals with the regulatory, technical, data, and compensation tools needed for customers and DERs to respond. Until those conditions are met, imposing a penalty on NEM customers who decline TVR would punish customers for lacking capabilities that the proposed framework does not yet make feasible.

Respectfully,

Jake Springer
Policy Director, East Coast
Nexamp