



Vamsi K. Chadalavada
President & CEO

June 29, 2026

Secretary Rebecca Tepper
Massachusetts Executive Office of Energy and Environmental Affairs
100 Cambridge Street, Suite 900
Boston, MA 02114

Dear Secretary Tepper:

I am writing in response to your June 25 letter regarding ISO New England's Transitional Cluster Study (TCS) Interim Report and your concern for the development of battery energy storage systems (BESS) in Massachusetts and the region.

We recognize that the Commonwealth has prioritized BESS development and we are working to facilitate the interconnection of these and other resources to the region's transmission system in a timely and cost-effective manner. To that end, I want to highlight that the region currently has a significant amount of BESS (approximately 2,200 MW, and mostly in Massachusetts) with completed interconnection studies and with commercial operation dates on or before 2030. Beyond these resources, I understand that the Commonwealth is seeking additional amounts of BESS and there are questions about the recent TCS.

The TCS is a major undertaking and total overhaul of the process for interconnecting resources that is increasing the pace of completed interconnection studies compared with the pre-Order No. 2023 interconnection process and past Forward Capacity Auctions. For New England, the TCS is the first full system-wide cluster study being performed since the region's Order No. 2023 compliance proposal was accepted by the Federal Energy Regulatory Commission (FERC) in 2025. According to the Commission's Order No. 2023, the TCS was intended to eliminate interconnection queue backlogs by creating a structured pathway that allowed projects willing and able to demonstrate commercial readiness to quickly complete required interconnection studies, while simultaneously shifting the industry toward the cluster study framework. We are fulfilling these objectives. Through the TCS, ISO New England will move more interconnection requests through the study process than ever before, and in a shorter period than ever before, even though the scope of analysis in the cluster study is more complex than for the requests studied serially under the prior rules.

Like the Commonwealth, the ISO is motivated to do all it can to ensure the interconnection of these and other new supply resources to the grid. Notwithstanding the major enhancements to the

interconnection process that ISO New England, stakeholders, and FERC have put in place for the region, the substantial investment in transmission infrastructure identified in the interim TCS report is driven by the volume and location of proposals in the TCS, all of which are seeking both energy and capacity interconnection service.

While there is a potentially significant cost to interconnect all proposals in the TCS, the cost estimates are project specific and vary greatly in some instances. There are multiple projects with lower \$/MW costs, which indicates they are in areas of the system more favorable for interconnection development. In addition, in the case of a cluster study, cumulative impacts of projects that are in similar locations will amplify the need for additional upgrades.

We are working swiftly to complete the TCS on time to meet the Tariff-established deadlines, and importantly so we can open the first Cluster Study window on October 5, 2026.

I will address below your three specific requests for support from the ISO.

First, the ISO has taken multiple steps to provide Interconnection Customers (ICs), potential developers, stakeholders, and the public with as much timely information as practicable about the results of the study while ensuring the proper treatment of confidential information in accordance with the Tariff. This includes: publishing a public version of the interim TCS Report that does not contain restricted Critical Energy Infrastructure Information (CEII); providing all ICs case files and information within five days of issuing the interim TCS report that enable their review of study results and replication of any referenced study case; and posting responses ([both public and CEII](#)) to ICs questions about the interim TCS Report. Additionally, the ISO is evaluating further options to help ICs use this information to evaluate the study results more fully.

Second, the ISO has recently issued a [memo](#) that outlines next steps for the TCS. This memo, which is posted on the ISO's website, reaffirms the anticipated timeline for finalizing the study, with comments from ICs with requests in the TCS due by July 7, and the issuance of the final TCS report due one month later, on August 6. These deadlines are set forth in the Tariff. We share your interest in not affecting the schedule for the next cluster study.

Furthermore, upon finalization of the TCS, we intend to hold a meeting with Interconnecting Transmission Owners, the ICs, potential developers, and other stakeholders to discuss lessons learned. We welcome feedback from stakeholders so that we can continue to design the most efficient process feasible. We anticipate holding this discussion in Q4 2026 and welcome your participation.

Third, we would be happy to meet with you and your team to discuss the possibility of ISO New England's participation in a stakeholder session on this topic to be hosted by the Commonwealth. I will ask Anne George to coordinate a meeting with your team to discuss scheduling. Ideally, we recommend a stakeholder meeting take place prior to the August 6 date when we are scheduled to issue the final TCS report. Your suggestion of having the Interconnecting Transmission Owners participate in the meeting is welcome as it will provide for a more complete discussion. Because the TCS study is still underway, there are limits on what information we can discuss publicly. Under the

confidentiality provisions surrounding this process, we will not be able to share project-specific information.

Thank you for your close attention to the TCS process. We share your goal of helping developers succeed and look forward to continuing our work together to deploy resources in the Commonwealth and across New England.

Sincerely,



Vamsi K. Chadalavada
President & Chief Executive Officer



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Rebecca L. Tepper
Secretary

June 25, 2026

Vamsi Chadalavada
President and Chief Executive Officer
ISO New England, Inc.
1 Sullivan Road, Holyoke, MA 01040

Dear Mr. Chadalavada,

I write to express deep concern with ISO New England's (ISO-NE) interim Transitional Cluster Study report and the significant implications its findings will have on the development of battery energy storage systems (BESS) in Massachusetts and across the New England region. The deployment of storage resources is central to Massachusetts' affordability, reliability, and clean energy strategy. Storing electricity when it is abundant and delivering it when needed helps lower costs for consumers, strengthens grid reliability during peak electricity demand, and enables greater integration of clean energy resources like solar and wind.

Recognizing these benefits, Massachusetts has established ambitious energy storage requirements. Under Section 83E, the Commonwealth is pursuing 5,000 MW of energy storage by 2030, including dedicated procurements for mid-duration and long-duration storage resources, as well as multi-day storage resources if commercially available at reasonable cost. More recently, Governor Healey's Executive Order No. 654, issued on March 16, 2026, set an additional goal of 5,000 MW of energy storage online or under development within Massachusetts by the end of 2035. Together, these actions reflect the Commonwealth's commitment to deploying energy storage at scale as a foundational resource to lower costs, enhance reliability, and unlock additional clean energy.

ISO New England's Transitional Cluster Study included 23 interconnection requests, the vast majority of which are BESS resources located in Massachusetts. The study identifies more than \$3 billion in total interconnection costs, with the majority of costs stemming from system network upgrades associated with interconnecting BESS resources in Massachusetts. Absent



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modifications, several battery proposals could face estimated interconnection costs ranging from \$300 to \$500 million and construction timelines approaching eight years.

According to developers, these estimates are unprecedented—in some cases, ten times the cost of interconnecting storage resources in other parts of the country. If these cost and construction timeline estimates are finalized, they will have a significant chilling effect on investment in Massachusetts and across the New England region for years to come. While we appreciate ISO-NE's efforts to meet mandatory cluster study deadlines, it is critical that the study's final results reflect sound assumptions and accurate cost and construction timeline estimates to connect these projects.

Given the importance of this issue, I request ISO New England's support with the following:

1. Provide developers with access to the cluster study dispatch cases before the deadline for comments on the interim Transitional Cluster Study report to help developers better understand the study results;
2. Provide information on the anticipated timeline for finalizing the study and whether any existing deadlines can be adjusted, if necessary, to ensure developers have the information they need to make informed decisions without affecting the schedule for the next cluster study cycle; and
3. Participate in an upcoming stakeholder session with storage developers and transmission owners to discuss the study assumptions and findings, address stakeholder concerns, and explore potential paths forward.

We appreciate your attention to this important matter and look forward to your response. Thank you for your continued engagement and efforts to support the interconnection of new resources to the New England grid.

Sincerely,

Secretary Rebecca Tepper
Massachusetts Executive Office of Energy and Environmental Affairs