



Review of Non-Wire Alternatives (NWA) & Virtual Power Plants (VPP)

November 3, 2025

Agenda

- Define and compare Non-wire alternatives to Virtual Power Plants (Yujia)
- Virtual Power Plant programs benchmarking review (Markus/Austin)
- DTE VPP proposed pilot design (Markus/Austin)
- Next Steps

Non-wire Alternatives

Corporate Strategy

Virtual Power Plant / Residential Battery Program Benchmarking

Demand Response Team

Design Feature!

Customer-Owned?	
Use Case: Utility DR	
Use Case: Customer Backup	
Use Case: No restrictions	
Upfront Incentives?	
Continuing Incentives?	• Base use - P - S - P - S
Contracts?	
Solar Required	
Solar Optional	
Unique Design Feature	• Fun • Effic



Wattsmart

- Rocky Mountain Power - Utah
- BYOB residential battery program
- ~6,000 enrolled batteries
- Eligible batteries: Sonnen, SolarEdge, Fortress Power, Torus, FranklinWH, Tesla
- Incentives: \$400/kW (upfront) + \$15/kW (annually)
 - Maximum \$2,000 upfront.
 - Annual incentive begins in after 1st year.
- 4-year program commitment required.
- Daily peak load reduction.

Home Energy Storage

- Green Mountain Power - Vermont
- BYOB residential battery program
- ~350 enrolled batteries.
- Eligible batteries: Duracell, Eguana, Emporia, Enphase, Fortress, FranklinWH, NeoVolta, Savant, SolarEdge, Tesla
- Incentives: \$850/kW or \$950/kW (upfront)
 - 3-hour or 4-hour discharge.
 - Maximum \$10,500
- 10-year program enrollment required.
- Demand response events only.

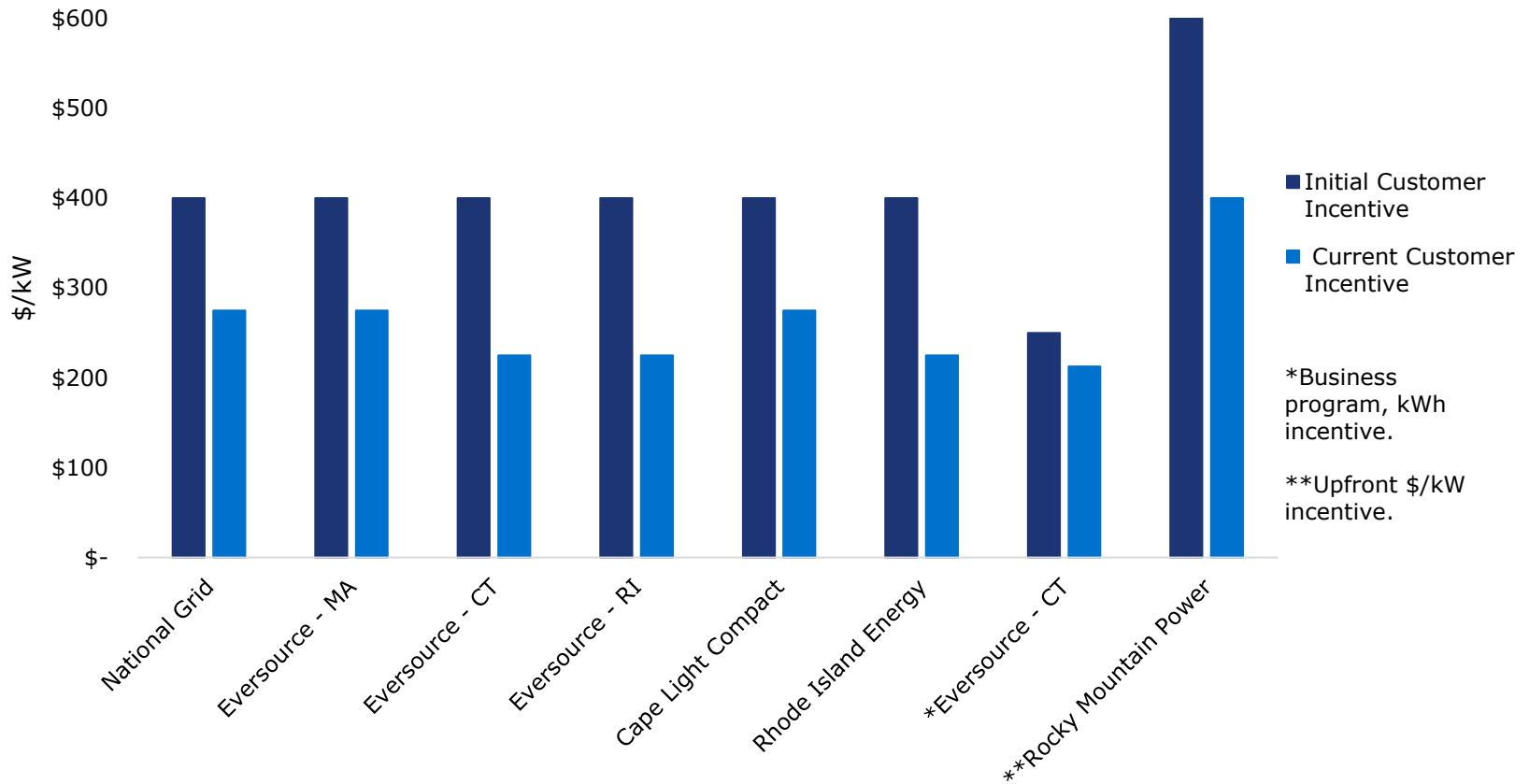
Dominion VPP

- Dominion Energy - Virginia
- State mandated VPP pilot
- 450 MW VPP pilot
- 15 MW BYOB residential battery
- Targeting 1,000 enrolled batteries
- Incentives: \$1,000 (upfront) + \$100/kW (annually)
- Pilot concludes in 2028.
- 60 annual events.
- Peak load shaving + grid services.

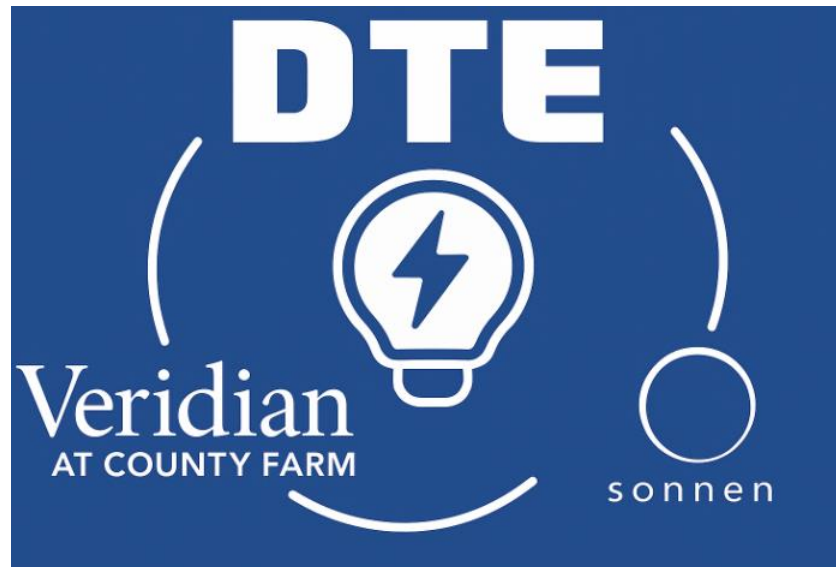
Connected Solutions

- National Grid - Massachusetts
- BYOB residential battery + thermostat program
- 3,000 enrolled batteries
- Eligible batteries: Emporia, Enphase, EP Cube, Fortress, Franklin, Generac, GM Energy, Qcells, Sonnen, Sol-Ark, SolarEdge, Tesla
- Incentives: \$275/kW (annually)
- 60 annual events.
 - No more than 3 hours per event.
 - Summer only
 - 3 PM - 8 PM only.
- Demand response events only.

Residential Battery Customer Incentive Trends



Questions?



Appendix: Residential Battery Programs

Utility	State	Offering Name	Offering Stage	Utility vs Regulator Initiated	BYOB vs Utility-owned	Use Cases	Initial Customer Incentive	Current Customer Incentive	Incentive Frequency	Penalties	Enrollment Commitment
DTE	MI	TBD	Pilot	Utility	BYOB	Daily Peak Load Reduction + Grid Services	N/A	\$200/kW + \$20/month	Upfront + Monthly	Reduced Incentive	2 Years
National Grid	MA	Connected Solutions	Program	Utility	BYOB	Demand Response	\$400/kW	\$275/kW	Annual	Reduced Incentive	5 Years
Eversource	MA	Connected Solutions	Program	Utility	BYOB	Demand Response	\$400/kW	\$275/kW	Annual	Reduced Incentive	5 Years
Eversource	CT	Connected Solutions	Program	Utility	BYOB	Demand Response	\$400/kW	\$225/kW	Annual	Reduced Incentive	5 Years
Eversource	NH	Connected Solutions	Program	Utility	BYOB	Demand Response	\$400/kW	\$225/kW	Annual	Reduced Incentive	5 Years
Cape Light Compact	MA	Connected Solutions	Program	Utility	BYOB	Demand Response	\$400/kW	\$275/kW	Annual	Reduced Incentive	5 Years

Appendix: Residential Battery Programs (continued)

Utility	State	Offering Name	Offering Stage	Utility vs Regulator Initiated	BYOB vs Utility-owned	Use Cases	Initial Customer Incentive	Current Customer Incentive	Incentive Frequency	Penalties	Enrollment Commitment
Rhode Island Energy	RI	Connected Solutions	Program	Utility	BYOB	Demand Response	\$400/kW	\$225/kW	Annual	Reduced Incentive	5 Years
Eversource	CT	Energy Storage Solutions	Program	Regulator	BYOB	Demand Response	\$250/kWh (max \$7.5k upfront) + \$225/kW	\$212.50/kWh (max \$16k upfront) + \$225/kW	Upfront + Annual	Upfront Incentive Clawback	10 Years
Tucson Electric Power	AZ	Energy Reward Storage	Program	Utility	BYOB	Demand Response	N/A	\$240/kW	Annual	Reduced Incentive	None
EntergyNO	LA	Energy Smart	Program	Regulator	BYOB	Demand Response	N/A	\$110/kW	Annual	Reduced Incentive	10 Years
Arizona Public Service	AZ	TBD	Pilot	Utility	BYOB	Demand Response	N/A	\$110/kW	Annual	Reduced Incentive	TBD
JCPL	NJ	TBD	Pilot	Utility	BYOB	TBD	N/A	\$75/kW	Annual	TBD	TBD

Appendix: Residential Battery Programs (continued)

Utility	State	Offering Name	Offering Stage	Utility vs Regulator Initiated	BYOB vs Utility-owned	Use Cases	Initial Customer Incentive	Current Customer Incentive	Incentive Frequency	Penalties	Enrollment Commitment
Orange & Rockland	NY	TBD	Pilot	Utility	BYOB	TBD	N/A	\$50/kW	Annual	TBD	TBD
Rocky Mountain Power	CO	Wattsmart	Program	Utility	BYOB	Daily Peak Load Reduction	\$600/kW + \$15/kW	\$400/kW (max \$2k) + \$15/kW	Upfront + Annual	Upfront Incentive Clawback	4 Years
Dominion	VA	VPP	Pilot	Regulator	BYOB	Peak Load Shaving + Grid Services	N/A	\$1,000 + \$100/kW	Upfront + Annual	TBD	3 Years
Green Mountain Power	VT	Home Energy Storage	Program	Utility	BYOB	Demand Response	N/A	\$950/kW (max \$10.5k)	Upfront	Reduced Incentive	10 Years

Internal alignment on DTE's VPP Pilot Design

Demand Response Team

Internal Alignment on Pilot Design

- Current state
 - Stakeholder interest (MPSC, Vote Solar, MEIBC)
 - Internal interest
- Pilot development
 - Internal alignment NOT final alignment. Stakeholder engagement may impact the design
 - Internal alignment on pilot design
 - **Pilot Purpose:** HOLD OFF ON THIS DISCUSSION
 - **Where/Who:** What is our starting point? What are we willing to concede in negotiations? Risks/Opportunities? Other Internal teams?
 - Veridian only
 - Veridian with expansion to Service Territory
 - Service Territory only
 - **Incentive:** What is our starting point? What are we willing to concede in negotiations? Risks/Opportunities? Other Internal teams?
 - What are we incentivizing? Participation, performance, both
 - What level of incentive
 - **Operational parameter/Event opt-out:** What is our starting point? What are we willing to concede in negotiations? Risks/Opportunities? Other Internal teams?
 - Stakeholder engagement: Identify stakeholders. Methods of engagement. timeline

To seek cost recovery for a pilot in the 2026 rate case, we anticipate developing and filing the application by the end of Q3

Illustrative

	2025							2026						Responsible
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Stakeholder Engagement														Regulatory Affairs, Project Team, BPD Project Team, Regulatory Affairs Project Team, Regulatory Affairs
Stakeholder engagement plan strategy development, review and approval 3 weeks														
Stakeholder Workshop														
Application Development 8 weeks														Project Team, Regulatory Affairs
MPSC 90-Day Expedited Pilot Review														
2026 Rate Case Development														Regulatory Affairs, Project Team

Next Steps