

ANDREW O. KAPLAN
direct dial: (617) 856-8369
fax: (617) 289-0724
akaplan@brownrudnick.com

One
Financial
Center
Boston
Massachusetts
02111
tel 617.856.8200
fax 617.856.8201

July 24, 2013

Mark D. Marini, Secretary
Department of Public Utilities
One South Station
Boston, MA 02110

**RE: Investigation by the Department of Public Utilities on its own Motion into
Modernization of the Electric Grid, D.P.U. 12-76**

Dear Secretary Marini,

On behalf of Beacon Power, LLC (“Beacon Power” or the “Company”), a manufacturer and developer of an innovative energy storage flywheel system designed to provide fast accurate balancing services to the grid, please accept these Comments pursuant to the Notice for Comment on the Report to the Department of Public Utilities (the “Department”) from the Steering Committee (the “Report”) established in the above-captioned matter. Beacon Power has previously intervened in this docket.

I. *ABOUT BEACON POWER, LLC*

Beacon Power’s innovative flywheel-based energy storage technology, designed and manufactured in Tyngsboro, MA, operates by using flywheels to rapidly inject and withdraw power from the grid in order to quickly and accurately follow fast-changing control signals. Beacon Power’s flywheel technology has demonstrated its success on the grid with over four million operating hours to date. Specifically, when generated power exceeds load, Beacon Power’s flywheels store this excess energy. When load increases, Beacon’s flywheels return the energy to the grid. Beacon Power’s technology can respond nearly instantaneously to a system operator’s control signal, or up to one hundred times faster than traditional generation resources. The ability of Beacon Power’s flywheels to quickly and precisely respond to moment-by-moment system changes make this technology ideally suited to provide frequency regulation and similar grid-reliability services.

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Currently, Beacon Power operates a 0.5 MW flywheel energy storage plant in Tyngsboro, Massachusetts as a participant in ISO-NE's Alternative Technologies Regulation Pilot Program and operates a 20 MW plant in Stephentown, New York. Beacon expects to begin operations in September 2013 of another 20 MW facility in Hazleton, Pennsylvania.

II. COMMENTS

Beacon Power appreciates the efforts of the Department to modernize the grid and consider distributed resources and other advanced technologies such as energy storage. In particular, Beacon Power's flywheels' ability to smooth renewable plant output, reduce voltage fluctuations on distribution circuits, provide reactive power support and enhance power quality will benefit Massachusetts distribution utilities.

While Beacon Power does not at this time endorse a particular cost-effectiveness or regulatory model from the report for approval by the Department, Beacon Power does support the recommendations set forth in the comments submitted by the Electricity Storage Association in this proceeding.

Beacon Power looks forward to working with the Department and other interested parties to help develop a modern grid that includes new, advanced technologies such as flywheel energy storage resources.

Should you have any questions concerning this matter, kindly contact the undersigned.

Sincerely,

BROWN RUDNICK LLP

A handwritten signature in cursive script that reads "Andrew O. Kaplan".

Andrew O. Kaplan

AOK/pam

cc: Aaron J. Bullwinkel, Beacon Power Vice President & General Counsel
Mike Berlinski, Beacon Power, Manager, Regulatory Affairs
Service List D.P.U. 12-76