

SENATE NO. 1969

AN ACT CLARIFYING A MINIMUM THRESHOLD FOR THE PURCHASE OF EXISTING RENEWABLE POWER FOR THE PURPOSES OF THE RENEWABLE PORTFOLIO STANDARD REGULATION

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. Section 3 of Chapter 25A of the General Laws is hereby amended by inserting after the
2 definition of "energy management services", the following new definitions:-

3 "Net Revenue", all revenue received from the sale of renewable generation attributes, by an
4 existing Massachusetts waste-to- energy facility minus: (a) all out of pocket costs and expenses that
5 the facility incurs in selling its renewable generation attributes, including reasonable broker's fees and
6 reasonable system and other administrative charges applicable to such revenue, and legal fees, court
7 costs and the costs of administrative and other tribunals that the facility incurs to establish or defend its
8 title to its renewable generation attributes as against any entity or authority, and; (b) any damages or
9 refund of revenue, or both, from the sale of prior renewable generation attributes that the facility may
10 be ordered to pay by a court or administrative agency because of a determination that a facility did not
11 have title to such renewable generation attributes, or that a facility agreed to pay in settlement of a
12 claim that it did not have title to such renewable generation attributes.

13 "NE-GIS Certificate," a document produced by the NE-GIS that identifies the relevant Generation
14 Attributes of each MWh accounted for in the NE-GIS.

15 "NE-GIS," the New England Generation Information System, which includes a generation
16 information database and certificate system, operated by the New
17 England Power Pool, its designee or successor entity, that accounts for
18 Generation Attributes of electrical energy consumed within New England.

19 "Renewable Generation Attribute," the generation attribute of the electrical energy output of an
20 existing waste-to-energy facility as designated by a NE-GIS certificate.

21 "Long-term contract," the waste disposal contract of at least four-year term between a
22 Massachusetts community and a waste- to-energy facility.

23
24 SECTION 2. Section 11F of Chapter 25A of the General Laws, is hereby amended by inserting after
25 the second sentence of sub-section (a) the following:-

26 By March 1, 2005, every retail supplier shall annually provide to end-use customers in the
27 commonwealth, renewable generation attributes from existing waste-to-energy facilities in the amount
28 equal to 3.3 percent of kilowatt hour sales and shall provide that amount of existing waste-to-energy
29 renewable generation attributes each year thereafter. Every retail supplier shall also provide a
30 minimum percentage of kilowatt-hours sales to end-use customers in the commonwealth from new
31 renewable energy generating sources, according to the following schedule: (i) an additional 1 per cent
32 of sales by December 31, 2003, or one calendar year from the final day of the first month in which the
33 average cost of any renewable technology is found to be within 10 per cent of the overall average spot-
34 market price per kilowatt-hour for electricity in the commonwealth, whichever is sooner; (ii) an
35 additional one-half of 1 per cent of sales each year thereafter until December 31, 2009; and (iii) an
36 additional 1 per cent of sales every year thereafter until a date determined by the division of energy
37 resources.

38 SECTION 3. Section 11F of Chapter 25A of the General Laws, is hereby further amended by
39 inserting after sub-section (b) following new sub-sections:

40 (c) For the purposes of this section, existing waste-to-energy facilities, which are a component of
41 conventional municipal solid waste plant technology in commercial use:

42 (i) shall be considered to own the renewable generation attributes generated by the
43 facility unless otherwise specifically transferred through a contract, and
44 (ii) shall share the net revenue from the sale of their renewable generation attributes sold
45 in the Commonwealth to satisfy Section 11F of Chapter 25A, in the following
46 manner:

47 (a) Fifty per cent (50%) of the net revenue shall be divided over the tons received
48 at each waste-to-energy facility received from the towns that are under long-term contract to
49 that facility for the duration of long-term contracts executed as of January 1, 2004.

50 (b) Each town under long-term contract to a facility paying a tipping fee shall
51 receive a pro rata portion of the net revenue determined in clause (c)(i) on the municipality's
52 annual minimum tonnage.

53 (d) The division of energy resources shall promulgate amendments to 225 CMR 14.00 –
54 Renewable Energy Portfolio Standard, by March 1, 2005 to include kilowatt-hour sales from existing
55 waste-to-energy facilities in the Renewable Energy Portfolio Standard and to further implement the
56 provisions of this Act. The division shall determine the annual amount and value of the sale of
57 generation attributes by each waste-to-energy facility sold to satisfy Section 11F of Chapter 25A and
58 develop a report that will be distributed to each participating community.