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Department of Energy Resources
10th Floor
100 Cambridge Street
Boston, MA 02114

March 25, 2013

In re: Massachusetts SREC Regulations

DOER Members,

Nexant respectfully submits its views on the benefits of assisting the continued development of the Massachusetts SREC program within the RPS mandate.

Nexant supports the DOER's proposed change to alter the obligation formula to remove the "2 years prior ACP" subtraction. However, there will still be a significant over supply of SRECs in the near term. We would like the DOER to consider adding the "2 years prior ACP" to the equation to bring the supply into a more equilibrium state.

Secondly, uncertainty in the success of the auction mechanism is one area that needs to be addressed. Nexant proposes, in the event of a failure to clear the auction, those SRECs submitted back to owners be allowed to participate in future auctions as a last resort.

Thirdly, Nexant supports the DOER's proposed change to the regulations allowing for third party entities to use the auction mechanism. We feel this is vitally important to the creation of a healthy secondary market for discharge of SRECs.

Thank you for your considerations.

Best regards,



Paul R. MacGregor, Ph.D.
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Nexant, Inc.