

CY 2012 Alternative Compliance Payments - Spending Plan

ACP Receipts	Total
Compliance Year 2012	\$72,601,105
Reallocated from CY 2010	\$7,000,000
Reallocated from CY 2011	\$18,000,000
Compliance Year 2012 Spending Plan Budget	\$97,601,105

tally as of 10/25/2013

CY 2012 ACP Spending Plan					Short Description
Major Initiatives	2012 Budget	2010 Reallocation	2011 Reallocation	Total Plan	
Energy Resiliency and Climate Adaptation for Strategic Infrastructure	\$33,000,000	\$5,000,000	\$2,000,000	\$40,000,000	Provide funds for cities and towns to invest in renewable DG/CHP/microgrid infrastructure with islanding capability to prepare strategic MA infrastructure for power grid and fuel supply disruptions resulting from natural disasters and acts of terrorism. Based on guidance from energy assurance plans, target infrastructure would include public shelters, hospitals, nursing homes, food and material supplies, critical data and communications infrastructure, emergency response vehicles, fuel supplies along evacuation routes, etc. Funding to be evenly allocated across four geographic zones (NE, SE, Central, and West) of the Commonwealth.
Residential Solar Financing Program	\$23,500,000		\$6,500,000	\$30,000,000	DOER estimates that a robust residential direct ownership market would need to be supported by \$20-\$50 million in loans at the start of the program, and \$200-\$700 million cumulatively through 2020. ACP funds will be used to leverage local banks to offer solar loans and to support other financing innovations. Activities under consideration include: loan interest rate buy-down (per Heat Loan); loan loss reserve; start-up and incentive funds for banks to launch solar loan program; support of Community Shared Solar, crowd funding, and other innovative financial approaches.
Commercial CHP and Renewable Thermal Financing Program	\$4,000,000		\$8,000,000	\$12,000,000	In coordination with solar financing initiative with local banks, DOER will work to leverage bank participation to support loans for packaged commercial CHP and residential and commercial renewable thermal equipment. These technologies face similar financing challenges and DOER seeks to create local, standardized loan programs to support policy objectives to expand these technologies into the market.
Generational Initiatives					
Tree Canopies for Energy Savings in Gateway Cities	\$3,000,000			\$3,000,000	Creating significant tree canopy in urban centers is demonstrated to reduce energy use in the community due to shading, wind break, and reducing heat islands. Long term benefits include reductions in energy costs and greenhouse gas emissions, with full benefits reached in 30 or so years. These funds will be used to complete tree canopy planting in Chelsea and Holyoke. Tree plantings will be completed in conformance with utilities efforts to limit tree growth around utility lines.
Clean Energy and Climate Science Literacy (CECS) Initiative	\$2,500,000			\$2,500,000	DOER will increase citizens, students and communities' literacy and awareness of the benefits of clean energy investments by 1) facilitating and supporting the integration of clean energy and climate science into Massachusetts' revised K-12 Science, Technology and Engineering (STE) curriculum frameworks, 2) exciting students, teachers and the general public by bringing academic theory to life through hands-on learning, and 3) enhancing the CECS literacy of students, school communities and citizens engaging with state and municipal governments through interactive, innovative and branded educational messages and visual displays.
Zero Net Energy State Buildings	\$2,000,000	\$1,000,000		\$3,000,000	Support the design and implementation of public buildings achieving ZNEB status by complementing EE measures with support for renewable DG and renewable thermal energy facilities. Targets will be selected from amongst the most common new construction projects – K-12 schools, college dormitories and science buildings, and a variety of state agency buildings.
Administrative Support and Reserved Funds					
RPS Solar SQA and PTS Upgrade	\$307,160		\$1,500,000	\$1,807,160	IT upgrades and staffing for MassCEC Production Tracking System to integrate with DOER SREC-II Statement of Qualification Application. Upgrade will enhance PTS to handle greater data volumes, improve data administration procedures between DOER and MassCEC, and reduce soft costs in the solar market. Funding covers incremental budget expenditures of CEC through FY2017.

Commonwealth Solar II Funds	\$1,000,000	\$1,000,000		\$2,000,000	Funding for MassCEC implemented Commonwealth Solar II program to sustain grants to residential market until SREC-II program and financing programs are established.
Hydro Design and Construction Improvement	\$738,660			\$738,660	As provided in 2012 Affordable Energy Act, program will fund upgrades and improvements necessary for hydroelectric facilities to qualify as a Class I or Class II renewable energy generating source. These funds are to be added to funds in 2011 ACP Spending Plan, so as to allocate a total of 30% of Class II ACP funds, as required in the Act.
To Be Announced; and Small Projects, Studies/Consultants	\$2,555,285			\$2,555,285	
Total	\$72,601,105	\$7,000,000	\$18,000,000	\$97,601,105	