

July 12, 2017

The Honorable Judith F. Judson
Commissioner, Massachusetts Department of Energy Resources
100 Cambridge St., Suite 1020
Boston, MA 02114

Re: APS COMMENTS

Dear Commissioner Judson:

We support the waste-to-energy (WTE) section of the draft Alternative Energy Portfolio Standard regulation. These regulations will help level the playing field by allowing the steam we produce to receive Alternative Energy Credits similar to the way WTE electricity receives Renewable Energy Credits.

Waste-to-energy has been recognized as renewable energy by 31 states (including Massachusetts), the District of Columbia, two territories and the federal government for nearly thirty years under a variety of statutes, regulations, and policies. Waste-to-energy meets the two basic criteria for establishing what a renewable energy resource is—its fuel source (trash) is sustainable and indigenous. Waste-to-energy facilities recover valuable energy from trash after efforts to “reduce, reuse, and recycle” have been implemented by households and local governments. Waste-to-energy facilities generate clean renewable energy and deserve the same treatment as any other renewable energy resource.

Unique among the seven WTE facilities in Massachusetts, the Pittsfield Resource Recovery Facility does not sell electricity, so it is not eligible for renewable credits under the Renewable Portfolio Standard (RPS). This has put the Pittsfield facility at a significant disadvantage because surrounding landfills are eligible for renewable credits under the RPS.

As you know, the Pittsfield Resource Recovery Facility is a waste-to-energy facility (WTE) located adjacent to Crane & Company, manufacturer of currency paper. Since 1981, the facility has processed 240 tons per day of solid waste throughout Berkshire County. Annually, the facility produces over 450 million pounds of steam. Since 1981, the facility has offset the use of 16,000 gallons of oil per day by Crane & Company.

Unfortunately, in the March 2016, we had to notify the City of Pittsfield and Crane that the Pittsfield Resource Recovery Facility would be closing in early 2017 because it became economically unsustainable to continue to operate. After that announcement, the Pittsfield community leaders came together to ensure that our facility will continue to operate.

There are three legs of the plan to keep the facility operating. First, the legislative delegation was critical to passing the provisions of the energy bill which added WTE into the APS. Then the City of Pittsfield provided \$562,000 in funding which will go towards the establishment of a DEP-mandated Recycling Consolidation Enclosure and other upgrades. In addition, there was a renegotiated contract with Crane. All three of these components have come together to ensure that we could continue to operate the facility.

Waste-to-Energy plays a prominent role in achieving Massachusetts' goals to increase renewable energy and reduce greenhouse gases while preserving high paying jobs. WTE is internationally recognized as a source of GHG mitigation, including by the US EPA, the European Union, the International Panel on Climate Change, and the UN. According to the U.S. EPA, WTE reduces GHG emissions by approximately one ton of carbon dioxide equivalents (CO₂e) for every ton of waste processed relative to landfilling, based on national averages. In 2015, the US EPA included WTE in the Clean Power Plant rule as a GHG mitigation tool.

Covanta is internationally recognized as the leading owner and operator of over 40 large scale Waste-to-Energy (WTE) facilities, providing communities with an environmentally sound solution to their solid waste disposal needs by using municipal solid waste to generate clean, renewable energy. Covanta has been recognized with over 150 awards for its operational excellence in both safety and environmental programs.

In Massachusetts, Covanta employs over 250 people and operates four of the seven Waste-to-Energy facilities in Pittsfield, Springfield, Rochester and Haverhill, generating over 110 MW of renewable power and processing 5,298 tons per day of waste.

The implementation of the APS credits is a critical component to ensure the financial viability of the Pittsfield Resource Recovery Facility. We appreciate that the DOER included this change in the draft regulations and we would ask that the Department move as quickly as possible to finalize these new regulations.

Sincerely,



Scott Henderson
Senior Director, Government Relations