

New England Biofuels, Inc.

Patrick Woodcock, Commissioner

Massachusetts Department of Energy Resources

100 Cambridge Street, Suite 1020

Boston, MA 02114

Re: Alternative Energy Portfolio Standard Straw Proposal Comments

Dear Mr. Woodcock and DOER staff members,

As President of New England Biofuels I work with and represent dozens of predominantly family-owned home heating oil fuel deliverers across the Commonwealth of Massachusetts. After careful review of the straw proposal and consultations with most of my clients I am submitting the comments below, on their behalf, for your consideration.

With regards to the straw proposal's goal of phasing out Combined Heat & Power (CHP) participation in the APS Program by 2030, there will be a need for interim technologies to generate Alternative Energy Credits (AECs) to replace those currently generated by CHP. Of the technologies presently available in the APS Program only Eligible Liquid Biofuel is capable of "bridging" this gap in the Program.

The straw proposal, as currently put forward, places a Cap on the Available AECs for Biofuel Generation Units at around 14% of the APS Program's total. Ostensibly, this is to maintain a fixed number of AECs available under the Cap. If one of the stated goals is to keep the cost to Massachusetts rate payers to a minimum, the level of the Cap would need to be increased - not decreased. We propose a 30% Cap for Eligible Liquid Biofuel starting in 2023 as a bridge to the phase out of CHP.

Increasing the Cap on Eligible Liquid Biofuels will have an immediate impact on Greenhouse Gas Emissions while other Renewable Technologies are in development. I currently have more than half of my clients halting the blending of biofuels with home heating oil due to depressed AEC

prices. What I commonly hear from clients is: "It is just not worth the extra effort". If the Cap on Eligible Liquid Biofuel is not increased, I anticipate more participants dropping out of the Program resulting in a substantial increase in ACP compliance. This increased cost will be passed on to rate payers.

The second motion in the straw proposal suggests raising the minimum blend level to 20%. Most biofuel suppliers currently provide their product at a 20% blend level. However, supply issues arise from time to time and this prevents fuel delivers from sourcing biofuel on a consistent basis. Maintaining a strict 20% minimum blend level occasionally becomes unreliable.

Your data suggests the Aggregate Blend Level is already close to the proposed 20% minimum level. The reality is there are a handful of program participants blending at levels of 50% or more. This has the effect of overestimating the true average blend level for most participants. There are also concerns about blending at higher levels with outdoor tanks. Accordingly, we ask that the regulations escalate no higher than a 15% blend level as the minimum standard to allow for some flexibility.

Thank you for your consideration.



Kevin Bedford

President, New England Biofuels, Inc.

Alvin Hollis	Brodeur & Sons	Canal Fuel Co.	Cape Cod Biofuels	Central Oil Co.
Chalker Heating & Fuel	Coan Oil	Devaney Energy	Dunlaps Energy	Dunn Oil Co.
Hohmann Oil	J.A. Healy & Sons	Jamie Oil Co.	John's Oil Co.	Lombardi Oil Co.
Loud Fuel Co.	Lyons Fuel	Marchand Oil	Mel & Sons Oil	Michael McGrath Inc.
Mike & Sons Oil	Needham Oil	Northboro Oil Co.	Petrolex	Pricerite Oil
R.J. McDonald Inc.	Sanoco Inc.	Super Petro	The Fuel Co.	