



Liquid Eligible Biofuels in the Alternative Energy Portfolio Standard: Compliance Reporting

June 26, 2020

Agenda

- APS Background
 - Eligible Liquid Biofuels Overview
- Cap on the Available Number of Attributes for Generation Units Using Eligible Liquid Biofuel
- Reporting Overview and Trends
- Common Reporting Issues
- 2020 APS Review

Alternative Energy Portfolio Standard (APS) Background

- The APS was established as of January 1, 2009, under the Green Communities Act of 2008
- The Green Communities Act specifically included the following as eligible technologies:
 - Combined Heat and Power
 - Flywheel Storage
- Section 2 of Chapter 251 of the Acts of 2014 included the following as eligible technologies:
 - Air and ground source heat pumps
 - Solar thermal (hot air and water)
 - Biomass, biogas, and biofuels
- Sections 3, 4, and 17 of Chapter 188 of the Acts of 2016 included the following as eligible technologies:
 - Waste-to-energy thermal
 - Fuel cells
- Eligible technologies are able to generate one Alternative Energy Certificate (AEC) for each MWh of electricity or 3,412,000 BTUs of Useful Thermal Energy produced.

Cap on the Available AECs for Biofuel Generation Units

- In each Compliance Year the total number of AECs minted to Generation Units using Eligible Liquid Biofuel may not exceed 20% of the total projected annual compliance obligation for the Compliance Year
 - No more than 10% of the Attributes generated prior to July 1st.
- If 100% of the Attributes available prior to July 1st are not allocated, the remaining number of available Attributes shall be rolled over and allocated during either of the remaining quarters in that calendar year
- If the number of Attributes reported by Generation Units exceeds the available Attributes, the number of available Attributes shall be allocated on a prorated basis

Cap on the Available AECs for Biofuel Generation Units for 2018

2016 Retail Electric Load	46,864,429
2018 Minimum Standard	4.50%
Total Attributes available for biofuel Generation Units in 2018	421,779
Total Attributes available for biofuel Generation Units in Q1 and Q2	210,889
Attributes minted for biofuel Generation Units in Q1 and Q2	110,353
Total Attributes available for biofuel Generation Units Q3 and Q4	311,426
Attributes minted for biofuel Generation Units in Q3 and Q4	182,395
Ratio Eligible for AECs (Q1/Q2)	100%
Ratio Eligible for AECs (Q3/Q4)	100%

CONFIDENTIAL – POLICY DELIBERATIVE

Creating a Clean, Affordable and Resilient Energy Future for the Commonwealth

Cap on the Available AECs for Biofuel Generation Units for 2019

2017 Retail Electric Load	45,715,742
2019 Minimum Standard	4.75%
Total Attributes available for biofuel Generation Units in 2019	434,300
Total Attributes available for biofuel Generation Units in Q1 and Q2	217,150
Attributes minted for biofuel Generation Units in Q1 and Q2	217,152
Total Attributes available for biofuel Generation Units Q3 and Q4	217,073
Attributes minted for biofuel Generation Units in Q3 and Q4	265,670
Ratio Eligible for AECs (Q1/Q2)	75%
Ratio Eligible for AECs (Q3/Q4)	82%

CONFIDENTIAL – POLICY DELIBERATIVE

Creating a Clean, Affordable and Resilient Energy Future for the Commonwealth

What DOER Collects and Why

- DOER collects data from Suppliers, Wholesalers, and Distributors on the production and sale of Eligible Liquid Biofuels.
- Distributors earn AECs based on their sales of Eligible Liquid Biofuel to end-users, i.e. owners of small oil-fired heating systems.
- The Distributors Biofuels reporting forms uses a formula of approximately 33.6 gallons of biofuel to one AEC assuming a boiler or furnace efficiency of 80% for the reporting documents, which is then pro-rated if necessary.
- DOER validates the data and gives it to CEC, who then reports AEC totals to NEPOOL prior to the minting.
- This is why DOER tracks each gallon of Eligible Liquid Biofuel as it moves through entire supply chain.

Reporting Trends

First reporting period in April 2018 covered the three-year retroactive portion of the program, 2015-2017.

- 4 Suppliers, 3 wholesalers, and 8 Distributors filed reports.
- 10,634,181 gallons sold, 419,510 AECS reported, which were prorated to 408,077.

Most recent filing in April 2020, covered Q3-Q4 2019.

- 8 Suppliers, 2 Wholesalers, 51 Distributors.
- 8,602,634.50 Sold, 256,163 AECS generated, which were prorated to 217,147.

Reporting Summary Document

- DOER has developed an internal Eligible Liquid Biofuels reporting summary document, using Excel.
- Data from all submitted reports is manually merged into the document for a complete program summary.
- The summary report uses several formulas that calculate total production, purchases, and sales.
- DOER then analyzes the data for each reporting entity, comparing each distributor to their supplier and/or wholesaler as well as reviewing their final sales.

Reporting Requirements

- Information of Eligible Liquid Biofuels reporting can be found here - <https://www.mass.gov/service-details/qualifying-eligible-liquid-biofuel-in-the-aps>
- Filing – Reports must be filed at the DOER Thermal mailbox - thermal.DOER@mass.gov.
- Email subject line contain the name of the filing entity and the quarters that are covered by the report, e.g.

ABC Biodiesel Inc. – Q1-Q2 report

- The report must have the title box on each tab filled out.

Wholesaler Name	ABC Biodiesel Inc
Quarter	Q1
Year	2020

CONFIDENTIAL – POLICY DELIBERATIVE

Creating a Clean, Affordable and Resilient Energy Future for the Commonwealth

Naming Conventions

- Reporting entities must use standard naming protocols as listed on the Biofuels Suppliers list and the list of Qualified Units list. Reports will be returned if this rule is not followed.
- This is to ensure that reporting entities get credit for fuel that they purchased.
- Some of the names on the lists have been abbreviated. If an entity has a concern about how they are listed, they should contact me at david.lutes@mass.gov.

Other Reporting Requirements

- Data should be reported only to two decimal places.
- Each reporter must use the same protocol throughout the report, ie. purchases and sales must use the same decimal protocol.
- If a bill of lading includes figures with decimals, reports must include that to two places.
- Suppliers can no longer report in tons.

2020 APS Minimum Standard Review

- Required by regulation and must be complete by 12/31/20
- Targeting 3 main areas:
 - an examination of the costs and benefits of the program to ratepayers,
 - an examination of the effectiveness of the program in meeting the energy and environmental goals of the Commonwealth, and
 - an evaluation of whether the Minimum Standard or its rate of increase
- DOER has engaged Daymark Energy LLC to conduct a study of the APS as the basis for the review
- Stakeholders will have the opportunity to engaged in the review
 - Likely in the Summer/early Fall

Questions?