

Explanation of the Second Excess CAIR Allowances Allocation

The CAIR regulation 310 CMR 7.32 requires MassDEP to allocate New Unit Set-Aside (NUSA) & Public Benefit Set-Aside (PBSA) allowances in excess of 5% of the MA Budget once these accounts contain allowances in excess of 10% of the MA Budget as specified in:

310 CMR 7.32 (5)(c)1.a.ii. If the number of CAIR NOx Ozone Season allowances in the **New Unit Set-aside** account that were previously eligible for allocation to new CAIR NOx Ozone Season units under 310 CMR 7.32(5)(c)1. is 10% or more of the total Massachusetts state trading budget after the Administrator completes the annual deduction process under 310 CMR 7.32(6)(e), then any such CAIR NOx Ozone Season allowances in excess of 5% of the Massachusetts state trading budget shall be allocated to existing CAIR NOx Ozone Season units in accordance with 310 CMR 7.32(5)(c)3.b.x.

310 CMR 7.32 (5)(c)2.d. If the number of CAIR NOx Ozone Season allowances in the **PBSA** account that were previously eligible for allocation for EEPs or REPs under 310 CMR 7.32(5)(c)2. is 10% or more of the total Massachusetts state trading budget after the Administrator completes the annual deduction process under 310 CMR 7.32(6)(e), then any such CAIR NOx Ozone Season allowances in excess of 5% of the Massachusetts state trading budget shall be allocated to existing CAIR NOx Ozone Season units in accordance with 310 CMR 7.32(5)(c)3.b.x. Massachusetts' budget is 7,914 allowances for the 2009 through 2014 ozone seasons, so 10% of the MA Budget is 791 allowances. The PBSA now contains allowances in excess of 10% of the MA Budget. The regulation requires that 5% of the MA Budget, or 396 allowances, remain in each account.

MA Budget during allocation years 2009-2013 =	7,914
10% of MA Budget =	791
5% of MA Budget =	396

Currently, 687 allowances remain in the NUSA account and 1187 allowances in the PBSA account. The allowances are of the following vintages:

Allowances by Account and Vintage as of Spring 2014			
	NUSA	PBSA	TOTAL
2011	57	0	57
2012	339	396	735
2013	291	791	1082
TOTAL	687	1187	1874
5% of MA Budget to remain in Account	396	396	792
Excess allowances to be allocated	0	791	791

MassDEP must allocate 791 allowances from the PBSA to MA facilities as specified in:

310 CMR 7.32(5)(c)3.b.x. If CAIR NOx Ozone Season allowances are designated for allocation to existing CAIR NOx Ozone Season units from the New Unit Set-aside or the PBSA under 310 CMR 7.32(5)(c)1.a.ii. or 310 CMR 7.32(5)(c)2.d., the Department will allocate for each CAIR NOx Ozone Season allowance vintage year to each existing CAIR NOx Ozone Season unit an amount of CAIR NOx Ozone Season allowances equal to the total amount of such designated unallocated CAIR NOx Ozone Season allowances, multiplied by the unit's allocation for the allowance vintage year under 310 CMR 7.32(5)(c)3., divided by the total number of CAIR NOx Ozone Season allowances allocated to existing CAIR NOx Ozone Season units for the allowance vintage year pursuant to 310 CMR 7.32(5)(a), and rounded to the nearest whole CAIR NOx Ozone Season allowance in accordance with 310 CMR 7.32(5)(c)3.b.v.

MassDEP has chosen to allocate these allowances beginning with the earliest vintages in each account until 396 allowances remain in each account. For the PBSA, this means allocating 396 of the vintage 2012 allowances and 395 of the vintage 2013 allowances.

Allowances to be allocated in Second Excess CAIR Allocation (by Account and Vintage)			
	NUSA	PBSA	TOTAL
2011	0	0	0
2012	0	396	396
2013	0	395	395
TOTAL	0	791	791

Allowances remaining after Second Excess CAIR Allocation (by Account and Vintage)			
	NUSA	PBSA	TOTAL
2011	57	0	57
2012	339	0	339
2013	291	396	687
TOTAL	687	396	1083

See the 'CAIR Allocation History' tab for additional CAIR allowance information.

CAIR Units allocation per 310 CMR 7.32(5)(c)3.b.x	2012 Allocation	2012 Excess Allowances
	Allowances Received	Allocation Calculated
ANP Bellingham 1	193.160046	11.37080098
ANP Bellingham 2	215.7166254	12.69864481
ANP Blackstone 1	224.2003374	13.19805762
ANP Blackstone 2	236.5642822	13.92588907
Bellingham Cogen - Total	101.8023288	5.992823281
Berkshire Power	185.0111832	10.89109983
Blackstone St.B11	2.231300581	0.131350532
Blackstone St.B12	5.962137806	0.350974665
Brayton Point 1	284.6374544	16.75582458
Brayton Point 2	281.6134567	16.57781014
Brayton Point 3	633.9469198	37.31871269
Brayton Point 4	24.21894107	1.425702492
Canal 1	305.8685128	18.00563863
Canal 2	167.5469392	9.863027786
Cleary Flood Unit 8	0.510697012	0.030063329
Cleary Flood Unit 9	8.46108974	0.498081097
Dartmouth Power 1	30.11671161	1.772888033
Dartmouth Power 2	0	0
Deer Island-S42	1.529039062	0.090010327
Deer Island-S43	0.988670079	0.05820029
Dighton Power	70.1374772	4.128800501
Doreen	0.037647797	0.002216222
Fore River	617.4703286	36.34878105
Framingham	0.213807746	0.012586274
General Electric, Lynn B#3	12.01206848	0.707117454
General Electric, Lynn Tur8	0.748581444	0.044066932
Kendall - Units 1, 2, 3 and Jet	36.71670013	2.161411216
Kendall New Unit 4	234.0154644	13.77584717
Kneeland Station	91.78586713	5.403181713
L'Energia 2	0	0
Lowell Cogeneration	0.417272691	0.024563696
Masspower	113.2514053	6.666798943
Medway-Total	0.368441105	0.021689115
Milford Power	58.49191928	3.443258516
Millenium Power	301.3056418	17.73703496
MIT Central Utility	78.23918918	4.605726017
Mt. Tom	144.2586347	8.492109314
Mystic 7	130.266566	7.668434685
Mystic CC 8	631.7735751	37.19077386
Mystic CC 9	589.4506623	34.69934031
Mystic Jet	0.05018802	0.002954431
New Boston 1	74.87379421	4.407614465
New Boston Jet	0.074112106	0.004362776
Pittsfield Generating	25.42548819	1.496728605
Potter 3	3.046209336	0.179321971
Potter 4	0	0
Potter 5	0	0
Salem Harbor1	88.92994952	5.235061693
Salem Harbor2	83.48471892	4.914515935
Salem Harbor3	139.3643314	8.203995131
Salem Harbor4	69.95955626	4.118326784
Somerset 8	112.7935051	6.639843621
Somerset 11	0.058023116	0.003415661
South Boston Combustion Turbines	0.4176118	0.024583659
Stony Brook1A	23.74892009	1.398033649
Stony Brook1B	28.32018397	1.667131389
Stony Brook1C	22.12582936	1.302486759
Stony Brook2A	1.453282281	0.085550733
Stony Brook2B	0.992128983	0.058403906
Waters River 1	1.757428463	0.103454983
Waters River 2	4.435705356	0.261117782
West Springfield CTG1	11.50587652	0.677319325
West Springfield CTG2	9.30049963	0.54749485
West Springfield 3	9.411182865	0.554010467
West Springfield 10	0.171003809	0.010066524
Woodland	0.252547472	0.014866776
ADJUSTED TOTAL:	6727	396
Excess 2012 Allowances Available:	396	
Existing Unit Allocation for 2012:	6727	

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CAIR Units allocation per 310 CMR 7.32(5)(c)3.b.x	2013 Allocation Allowances Received	2013 Excess Allowances Allocation Calculated
ANP Bellingham 1	208.5350975	12.24488829
ANP Bellingham 2	226.2200421	13.28332342
ANP Blackstone 1	238.1216523	13.98216926
ANP Blackstone 2	251.2533139	14.75324201
Bellingham Cogen - Total	108.1235605	6.348863743
Berkshire Power	188.5989088	11.07426327
Blackstone St.B11	4.358680067	0.255935577
Blackstone St.B12	5.271471072	0.309533384
Brayton Point 1	288.8570157	16.96127861
Brayton Point 2	276.4315186	16.23167086
Brayton Point 3	673.3107085	39.53585995
Brayton Point 4	7.19248617	0.422332695
Canal 1	227.7621221	13.37387219
Canal 2	113.3362221	6.654943918
Cleary Flood Unit 8	0.417970966	0.024542669
Cleary Flood Unit 9	7.154668892	0.420112117
Dartmouth Power 1	32.58246658	1.913196715
Dartmouth Power 2	0	0
Deer Island-S42	0.683232162	0.040118434
Deer Island-S43	0.938408749	0.055102045
Dighton Power	56.36430685	3.309633002
Doreen	0.050610323	0.002971767
Fore River	655.8110331	38.50830356
Framingham	0.132900721	0.007803744
General Electric, Lynn B#3	11.6890494	0.686364578
General Electric, Lynn Tur8	0.659982339	0.038753237
Kendall - Units 1, 2, 3 and Jet	52.79529185	3.10006545
Kendall New Unit 4	205.9824352	12.09499954
Kneeland Station	88.33489527	5.18690109
L'Energia 2	0	0
Lowell Cogeneration	0.298068584	0.017502169
Masspower	94.00575343	5.519885923
Medway-Total	0.305239461	0.017923233
Milford Power	62.12386934	3.647826429
Millenium Power	322.6226228	18.94394768
MIT Central Utility	81.51760933	4.786599626
Mt. Tom	149.0691012	8.753128433
Mystic 7	120.812698	7.093952092
Mystic CC 8	689.46661	40.48451181
Mystic CC 9	632.5350385	37.14156983
Mystic Jet	0.052223861	0.003066512
New Boston 1	35.0677821	2.059130954
New Boston Jet	0.070772335	0.004155652
Pittsfield Generating	20.34137376	1.194416922
Potter 3	3.052113678	0.179215832
Potter 4	0	0
Potter 5	0	0
Salem Harbor1	91.97414201	5.400592551
Salem Harbor2	88.66855172	5.206492928
Salem Harbor3	139.7373645	8.205181951
Salem Harbor4	38.28999429	2.248334732
Somerset 8	113.4163587	6.659649427
Somerset 11	0.061625956	0.00361859
South Boston Combustion Turbines	0.544388725	0.031965742
Stony Brook1A	25.22356638	1.481092422
Stony Brook1B	30.07867463	1.766177565
Stony Brook1C	23.49969276	1.379868982
Stony Brook2A	0.631854688	0.037101621
Stony Brook2B	0.519591396	0.030509678
Waters River 1	0.520617865	0.03056995
Waters River 2	2.202226174	0.129311631
West Springfield CTG1	12.22031313	0.717559638
West Springfield CTG2	10.9698362	0.644133388
West Springfield 3	5.93307716	0.348381965
West Springfield 10	0.139302646	0.008179656
Woodland	0.057892851	0.003399387
ADJUSTED TOTAL:	6727	395
Excess 2013 Allowances Available:	395	
Existing Unit Allocation for 2013:	6727	

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Excess Allowance Allocation CAIR Facilities rounding per 310 CMR 7.32(5)(c)3.b.v	2012 Facility Allocation	2012 Rounded Allocation	2013 Facility Allocation	2013 Rounded Allocation	TOTAL-Excess FACILITY ALLOCATION
ANP Bellingham Energy Company	24.0694	24	25.5282	26	50
ANP Blackstone Energy Company	27.1239	27	28.7354	29	56
Bellingham Cogen	5.9928	6	6.3489	6	12
Berkshire Power	10.8911	11	11.0743	11	22
Blackstone Street	0.4823	0	0.5655	1	1
Brayton Point	72.0780	72	73.1511	73	145
Canal Station	27.8687	28	20.0288	20	48
Cleary Flood	0.5281	1	0.4447	0	1
Dartmouth Power	1.7729	2	1.9132	2	4
Deer Island Treatment	0.1482	0	0.0952	0	0
Dighton	4.1288	4	3.3096	3	7
Doreen	0.0022	0	0.0030	0	0
Fore River	36.3488	36	38.5083	38	74
Framingham Station	0.0126	0	0.0078	0	0
GE Aircraft Engines Lynn	0.7512	1	0.7251	1	2
Kendall Square	15.9373	16	15.1951	15	31
Kneeland Station	5.4032	5	5.1869	5	10
L'Energia	0.0000	0	0.0000	0	0
Lowell Cogeneration	0.0246	0	0.0175	0	0
Masspower	6.6668	7	5.5199	5	12
Medway Station	0.0217	0	0.0179	0	0
Milford Power	3.4433	3	3.6478	4	7
Millennium Power Partners	17.7370	18	18.9439	19	37
MIT Central Utility	4.6057	5	4.7866	5	10
Mount Tom	8.4921	8	8.7531	9	17
Mystic	79.5615	80	84.7231	85	165
New Boston	4.4120	4	2.0633	2	6
Pittsfield Generating	1.4967	2	1.1944	1	3
Potter	0.1793	0	0.1792	0	0
Salem Harbor	22.4719	22	21.0606	21	43
Somerset	6.6433	7	6.6633	7	14
South Boston Combustion Turbines	0.0246	0	0.0320	0	0
Stony Brook	4.5116	5	4.6948	5	10
Waters River	0.3646	0	0.1599	0	0
West Springfield	1.7889	2	1.7183	2	4
Woodland	0.0149	0	0.0034	0	0
TOTALS:		396		395	791

CAIR ALLOCATION HISTORY

Note that 80 vintage 2006 allowances were transferred from the 310 CMR 7.28 NOx Budget Program to the 310 CMR 7.32 CAIR Program and were distributed during the first two CAIR NUSA allocations for 2009 and 2010, as follows:

NUSA Allocation By Year and Vintage	Vintage 2006	Vintage 2009	Vintage 2010	Vintage 2011	Vintage 2012	Vintage 2013	TOTAL
Allocation Year 2009	51						51
Allocation Year 2010	29	35					64
Allocation Year 2011				115			115
Allocation Year 2012					57		57
Allocation Year 2013						105	105
	80	35	0	115	57	105	392

Therefore the following allowances remain in the MA Holding Account:

Allowance Vintage	2006	2009	2010	2011	2012	2013	2014
MA BUDGET	80	7914	7914	7914	7914	7914	7914
Existing Unit Alloc	0	6727	6727	6727	6727	6727	6727
NUSA Alloc	80	35	0	115	57	105	summer 2014
PBSA Alloc	0	791	791	791	0	0	fall 2014
NUSA 2% transfer to PBSA	0	158	159	158	0	0	fall 2014
SUBTOTAL	0	203	237	123	1130	1082	1187
First Excess Allocation (Spring 2013)	0	203	237	66	395	0	0
REMAINING IN MA HOLDING ACCOUNT	0	0	0	57	735	1082	1187