



COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE OFFICE OF  
ENERGY AND ENVIRONMENTAL AFFAIRS  
**DEPARTMENT OF ENERGY RESOURCES**  
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Lt. Governor

**Kathleen A. Theoharides**  
Secretary

**Patrick C. Woodcock**  
Commissioner

Chairman Michael Barrett  
Chairman Thomas Golden  
Joint Committee on Telecommunication, Utilities and Energy  
24 Beacon St.  
Room 416  
Boston, MA 02133

RE: 225 C.M.R. 21.00, Clean Peak Energy Portfolio Standard; Submission to General Court

Dear Chairman Barrett and Chairman Golden:

On behalf of the Massachusetts Department of Energy Resources ("Department"), and in accordance with Section 12 of Chapter 25A of the Massachusetts General Laws, enclosed for filing please find the final amendments to 225 CMR 21.00—the Clean Peak Energy Portfolio Standard ("CPS").

These final CPS regulations are being submitted to your office after complying with all applicable provisions of Chapter 30A of the Massachusetts General Laws, except Section five.

I would like to thank you for your report on the CPS regulation. The DOER carefully considered the Committee's recommendations and the attached final regulation and there have been modifications upon the review of the Joint Committee's report. In accordance with M.G.L. 25A Sec.12, DOER will file the final regulations with the state secretary not earlier than thirty days from the date of this letter.

Below is a summary of the modifications being made for your convenience.

1. SMART ES Resource Multiplier (225 CMR 21.05(6)(f))

DOER is increasing the multiplier value 50 percent, from one-fifth (0.2) to three-tenths (0.3) in the final regulation. As these resources receive significant support through the energy storage adder under the SMART Program, this increase to the multiplier value should enhance participation in the program while not substantially contributing to a market oversupply of Clean Peak Energy Certificates.

2. Extended “Grandfathering” Provisions (225 CMR 21.07(1)); (225 CMR 21.09(2)(g));

The CPS regulation as submitted to the Committee did not include language grandfathering (i.e. exempting) load served under existing electricity contracts from the obligation. The regulation as drafted was consistent with DOER’s interpretation of the authorizing statute, Section 13 of Chapter 227 of the Acts of 2018,<sup>1</sup> regarding contract exemption:

*“Every retail electric supplier providing service under contracts executed or extended after December 31, 2018, shall provide a minimum percentage of kilowatt-hour sales to end-use customers in the commonwealth from clean peak resources.”*

The Committee’s report provides guidance on the legislative intent for inclusion of the above language, and specifically recommended that DOER amend the regulations to exempt certain existing contracts. DOER will exempt from compliance all contracts entered or extended prior to January 1, 2020.

3. Frequency of Program Reviews (225 CMR 21.05(6)(h); 225 CMR 21.07(2); and 225 CMR 21.08(3)(a)5)

DOER has increased the frequency of program reviews for the program multipliers, the minimum standard obligation, and the Alternative Compliance (ACP) rate from every five years beginning in 2025 to every four years beginning in 2024. This change allows for the increased program monitoring and stakeholder input while ensuring that the automatic market adjustments incorporated in the regulation’s design are given ample time to respond to market conditions.

Sincerely,

Patrick Woodcock  
Commissioner  
Department of Energy Resources

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<sup>1</sup> <https://malegislature.gov/Laws/SessionLaws/Acts/2018/Chapter227>