

April 10, 2019

Massachusetts Department of Energy Recourse
100 Cambridge St., Suite 1020
Boston, MA 02114

Re: Clean Peak Energy Standard

To Whom It May Concern;

Thank you for the opportunity to provide comments on the straw proposal of the Clean Peak Energy Standard. We greatly appreciate the Department seeking input and listening to stakeholders.

Covanta is a world leader in providing sustainable waste and energy solutions. The Company's 44 waste-to-energy facilities, in the United States, Canada and Europe, provide communities and businesses around the world with environmentally sound solid waste disposal by using waste to generate clean, renewable energy. Annually, Covanta's modern Waste-to-Energy (WTE) facilities safely and securely convert approximately 22 million tons of waste into clean, renewable electricity to power approximately one million homes and recycle over 600,000 tons of metal.

The seven WTE facilities in Massachusetts process 3.3 million tons of waste per year to produce enough renewable energy to power 212,000 homes. WTE facilities employ 489 people directly and support 1,441 jobs in the Commonwealth for a total economic output of \$591,600,000 a year, while reducing greenhouse gas emissions by more than 2.2 million tons of CO₂ equivalent.

Waste-to-energy is the perfect technology to be included in the Clean Peak Standard. Waste-to-energy is a baseload energy facility and produces power 24/7, so the addition of a storage facility that could be charged during periods of low demand (e.g. overnight) and be dispatched during the peak load time would be ideal.

While we support the direction that the Department is moving, we have concerns about two provisions in the straw proposal that will have unintended consequences, limiting potential storage projects at these facilities. Specifically, the Department's proposal to require all facilities be paired with storage that is at least 25% of the nameplate capacity of a facility. This will require adding very large energy storage systems with significant capital requirements and financial risk that will likely impede or stop development at large renewable facilities. We suggest that the Department set a cap on the requirement, particularly for baseload and/or

non-intermittent sources of renewable energy to encourage and allow investments in storage facilities to alleviate peak demands. Name plate capacities of renewable energy sources can range from small landfill gas projects of 1 to 2 MW to WTE facilities from 9.4 to 84 MW.

We are also concerned that the effect of negative multiplier for WTE facilities will be very damaging. Unlike other sources of energy, WTE facilities don't have the option of reducing production on weekends or holidays. WTE plants cannot stop processing waste during certain days of the week because waste continues to be delivered and must be processed in accordance with MassDEP permit requirements. Our plants rarely stop producing power (every 7 to 10 years for turbine maintenance), which make us the perfect technology to add storage to, but WTE facilities would not be able to avoid these negative multiplier time periods.

With the goal of reducing the peaks in the system, the Department should allow all storage options to qualify, provided they can deliver electricity back to the grid during peak times. This should include batteries, thermal storage or any other technologies, as well as small and large renewable sources of energy.

Thank you again for allowing stakeholders to participate fully in the process of developing the Clean Peak Standard.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott Henderson", with a long horizontal flourish extending to the right.

Scott Henderson
Senior Director, Government Relations
Covanta