

Commonwealth of Massachusetts
Executive Office of Energy and Environmental Affairs
DEPARTMENT OF ENERGY RESOURCES
RPS SOLAR CARVE-OUT

Determination of CY 2013 Total Compliance Obligation
(per 225 CMR 14.07(2)(d))
(Recalculated on June 7, 2013 per 225 14.07(2)(a)1.)

Formula

$$\begin{aligned} \text{Total Compliance Obligation}_{\text{CY}} = & \\ & \text{Total Compliance Obligation}_{\text{CY-1}} \\ & + [\text{Total SRECs Generated (projected)}_{\text{CY-1}} - \text{SRECs Generated (actual)}_{\text{CY-2}}] \times 1.3 \\ & + \text{Banked Volume}_{\text{CY-2}} + \text{Auction Volume}_{\text{CY-2}} \end{aligned}$$

| Term in Formula | CY 2012 Min Std Term | Value (MWh) | Source |
|---|---|-------------|--|
| Total Compliance Obligation _{CY-1} | Total Compliance Obligation ₂₀₁₂ | 81,559 | per regulation; 225 CMR 14.07(2)(c) |
| Total SRECs Generated (projected) _{CY-1} | Total SRECs Generated (projected) ₂₀₁₂ | 109,465 | DOER, as provided in Table of Projection Details below |
| SRECs Generated (actual) _{CY-2} | SRECs Generated (actual) ₂₀₁₁ | 26,598 | 2010 RPS Compliance Filings (see 2010 Annual Compliance Report, forthcoming) |
| Banked Volume _{CY-2} | Banked Volume ₂₀₁₁ | 11 | 2010 RPS Compliance Filings (see 2010 Annual Compliance Report, forthcoming) |
| Auction Volume _{CY-2} | Auction Volume ₂₀₁₁ | 0 | 2010 RPS Compliance Filings (see 2010 Annual Compliance Report, forthcoming) |

| Calculations | | | |
|--|---|------------|--|
| Total Compliance Obligation _{CY} ³ | Total Compliance Obligation ₂₀₁₃ | 189,297 | per formula above and regulation; 225 CMR 14.07(2)(d) |
| 2011 Load | | 49,386,169 | 2010 RPS Compliance Filings (see 2010 Annual Compliance Report, forthcoming) |
| CY 2013 Minimum Standard | | 0.3833% | division of above two terms |

Formula Results

Total Compliance Obligation₂₀₁₃
 $135,495 \text{ MWh} = 81,559 \text{ MWh} + [109,465 - 26,598] \times 1.3 - 53,802 + 11 + 0$

CY 2013 Minimum Standard
 $0.2744\% = 135,495 \text{ MWh} / 49,386,169 \text{ MWh} \times 100$

Table of Projection Details

| Projection of CY 2012 Total SRECs Generated (for use in formula above) | Total Capacity (MW) | Actual/Projected CY 2012 SREC Generation ¹ |
|---|------------------------|--|
| Qualified Projects (installed through August 23, 2012) | | |
| Actual SRECs generated per NEPOOL GIS - Q1 2012 | | 14,479 |
| Expected MW/MWh reported by qualified projects (Q2-Q4 2012) ² | 116.653 | 84,372 |
| Expected Projects (to be installed August - December) | | |
| State Supported Projects | | |
| Commonwealth Solar II | 8.000 | 1,894 |
| Solarize Mass | 0.300 | 66 |
| EECBG/Green Communities Funded Projects | 0.166 | 54 |
| Private Sector Installations (based on quarterly growth trends) | 40.000 | 8,600 |
| TOTAL | 165.119 | 109,465 |

¹ Projected generation assumes capacity factor of 13% for duration of year remaining after anticipated installation date

² Includes the capacity that generated the 14,479 SRECs in Q1 2012

³ Stakeholders should note that the full compliance obligation is not necessarily required to be met with the purchase of SRECs. This is because any load served by competitive retail electric suppliers that was under contract prior to January 1, 2010 is exempt from paying the full Solar Carve-Out ACP Rate and can instead be met by ACP payments made at the RPS Class I ACP rate. This effectively reduces the actual demand for SRECs generated in any given Compliance Year. The table below shows the number of MWh served under pre-2010 contracts in 2010 and 2011 as well as the projections for the number of MWh that will be sold under these contracts in 2012-2016. More information will be provided in DOER's 2011 RPS/APS Annual Compliance Report that will be released later this year. All numbers in italics are projections.

| Compliance Year | Pre-2010 Load (MWh) | Effective Reduction in SREC Demand (MWh x Minimum Standard) |
|-----------------|---------------------|--|
| 2010 | 19,316,360 | 13,110 |
| 2011 | 7,247,205 | 11,691 |
| 2012 | 3,070,121 | 5,005 |
| 2013 | 1,745,330 | 4,784 |
| 2014 | 441,885 | Data Not Yet Available |
| 2015 | 98,759 | Data Not Yet Available |
| 2016 | 61,995 | Data Not Yet Available |