

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

Final Determination of CY 2015 Total Compliance Obligation
(per 225 CMR 14.07(2))
8/28/2014
REVISED 10/3/2014

Formula per 225 CMR 14.07(2)(e) & 225 CMR 14.07(2)(h)

$$\text{Total Compliance Obligation}_{\text{CY}} = \text{Estimated Generation}_{\text{CY}} + \text{Banked Volume}_{\text{CY-2}} + \text{Auction Volume}_{\text{CY-2}} + \text{Auction Volume}_{\text{CY-2}}$$

Term in Formula	CY 2015 Min Std Term	Value (MWh)	Source
Estimated Generation _{CY}	Estimated Generation ₂₀₁₅	762,494	per regulation; 225 CMR 14.07(2)(e)3 (see projection details in table below)
Banked Volume _{CY-2}	Banked Volume ₂₀₁₃	8,031	NEPOOL GIS (see 2013 RPS/APS Annual Compliance Report, forthcoming)
Auction Volume _{CY-2} ¹	Auction Volume ₂₀₁₃	142,786	NEPOOL GIS (see 2013 RPS/APS Annual Compliance Report, forthcoming)

Calculations	CY 2015 Min Std Term	Value (MWh)	Source
Total Compliance Obligation _{CY} ²	Total Compliance Obligation ₂₀₁₅	1,056,097	per formula above and regulation; 225 CMR 14.07(2)(d)
2013 MA Retail Load		49,252,581	2013 Utility Load Verification (see 2013 Annual Compliance Report, forthcoming)
CY 2015 Minimum Standard		2.1442%	division of above two terms

Formula Results

Total Compliance Obligation₂₀₁₅
1,056,097 MWh = 762,494 MWh + 8,031 + 142,786 + 142,786

CY 2015 Minimum Standard
2.1442% = 1,056,097 MWh / 49,252,581 MWh

Projection Details

Projection of CY 2015 Total SRECs Generated (for use in formula above)	Total Qualified	Actual/Projected CY 2015 SREC Generation ³
Projection of CY 2015 SRECs Generated	658.915	762,494
TOTAL	658.915	762,494

¹ Should the 2nd round of the 2013 Solar Credit Clearinghouse Auction held on July 30, 2014 not fully clear, the auction volume of 142,786 will be added to the Compliance Obligation for 2015 twice, resulting in a total volume of 285,572 added.

² 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 2010-2013 as well as the projections for the number of MWh that will be sold under these contracts in 2014-2018. All numbers in italics are projections.

Compliance Year	Pre-2010 Load (MWh)	Effective Reduction in SREC Demand (MWh x Minimum Standard)
2010	19,323,329	13,110
2011	7,248,357	11,691
2012	2,506,921	4,087
2013	1,501,588	5,756
2014	<i>356,651</i>	<i>3,382</i>
2015	<i>50,836</i>	<i>940</i>
2016	<i>12,993</i>	Data Not Yet Available
2017	<i>1,322</i>	Data Not Yet Available
2018	<i>0</i>	Data Not Yet Available

³ Projected generation assumes capacity factor of 13.21% for duration of year.