

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

Final Determination of CY 2016 Total Compliance Obligation
(per 225 CMR 14.07(2))
8/28/2015

Formula per 225 CMR 14.07(2)(g)

$$\text{Total Compliance Obligation}_{\text{CY}} = \text{Estimated Generation}_{\text{CY-1}} - \text{ACP Volume}_{\text{CY-2}} + \text{Banked Volume}_{\text{CY-2}} + \text{Auction Volume}_{\text{CY-2}}$$

Term in Formula	CY 2016 Min Std Term	Value (MWh)	Source
Estimated Generation _{CY-1}	Estimated Generation ₂₀₁₅	689,792	per regulation; 225 CMR 14.07(2)(g) (see projection details in table below)
ACP Volume _{CY-2}	ACP Volume ₂₀₁₄	3,662	2014 Annual Compliance Filings (see 2014 RPS/APS Annual Compliance Report, forthcoming)
Banked Volume _{CY-2}	Banked Volume ₂₀₁₄	34,558	2014 Annual Compliance Filings (see 2014 RPS/APS Annual Compliance Report, forthcoming)
Auction Volume _{CY-2}	Auction Volume ₂₀₁₄	124,831	NEPOOL GIS (see 2014 RPS/APS Annual Compliance Report, forthcoming)

Calculations	CY 2016 Min Std Term	Value (MWh)	Source
Total Compliance Obligation _{CY} ¹	Total Compliance Obligation ₂₀₁₆	845,519	per formula above and regulation; 225 CMR 14.07(2)(g)
2014 MA Retail Load		48,129,292	2014 Utility Load Verification (see 2014 Annual Compliance Report, forthcoming)
CY 2015 Minimum Standard		1.7568%	division of above two terms

Formula Results

Preliminary Total Compliance Obligation ₂₀₁₆
845,519 MWh = 689,792 MWh - 3,662 + 34,558 + 124,831

Preliminary CY 2016 Minimum Standard
1.7568% = 845,519 MWh / 48,129,292 MWh

Projection Details

Projection of CY 2015 Total SRECs Generated (for use in formula above)	Total Capacity (MW)	Actual/Projected CY 2015 SREC Generation ²
SRECs Generated (Q1 2015)	639.201	101,882
Expected MWh generated by qualified projects (Q2-Q4 2015)	653.781	587,910
TOTAL	653.781	689,792

¹ 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. Additionally, any load served under contracts entered into prior to June 28, 2013 is also exempt for the portion of a supplier's obligation resulting from the emergency rule change that expanded the program cap beyond 400 MW. These exemptions effectively reduce the actual demand for SRECs generated in any given Compliance Year. More information on the size of these exemptions and their impact on the market can be under the SREC exemptions section of the following webpage:
<http://www.mass.gov/eea/energy-utilities-clean-tech/renewable-energy/rps-aps/retail-electric-supplier-compliance/rps-and-aps-minimum-standards.html>

² Projected generation assumes an annual average capacity factor of 13.21%, but weights this factor for systems that came online later than 1/1/15. **Note:** Over 27.6 MW of capacity has come online since 1/1/15 and 6.7 MW of qualified capacity is still not operational. This is taken into account in the projection of expected MWh to be generated by qualified projects in 2015.