f a c t s h e e t

Electricity Sector Regulations

310 CMR 7.75: Clean Energy Standard
310 CMR 7.74: Reducing CO_2 Emissions from Electricity Generating Facilities

Overview

On August 11, 2017, the Massachusetts Executive Office of Environmental Affairs and the Massachusetts Department of Environmental Protection published two regulations to reduce CO_2 emissions from power plants in Massachusetts. 310 CMR: 7.75: *Clean Energy Standard* (CES) requires utilities and competitive suppliers of electricity to procure increasing amounts of clean energy. 310 CMR 7.74: *Reducing CO_2 Emissions from Electricity Generating Facilities* sets annually-declining emission limits for large in-state fossil fuel-powered power plants to ensure that emissions reductions occur in Massachusetts. Taken together, these programs place the Commonwealth on a path toward a fully decarbonized electricity sector in 2050.

Requirements

310 CMR 7.75:

- Sets a minimum percentage of electricity sales that utilities and competitive suppliers must procure from new (post-2010) clean energy sources. Began at 16% in 2018 and increases annually to 60% in 2030 and 80% in 2050.
    - RPS Class I compliance counts toward the CES.
- Allows for compliance using clean energy certificates (CECs) or alternative compliance payments (ACPs).
- Requires eligible clean energy generators to be RPS-eligible or:
    - Demonstrate net lifecycle GHG emissions of at least 50% below those from the most efficient natural gas generator (e.g., hydro, nuclear, etc.);
    - Be located in the ISO-NE control area, or be located in an adjacent control area and utilize new transmission capacity;
    - Have commenced commercial operation after December 31, 2010.
- Energy procured pursuant to the 2016 Energy Diversity Act also counts toward compliance.
- Allows banking of clean energy certificates (CECs) for use after 2020.
- Required MassDEP to review options for addressing existing (pre-2010) clean energy resources.
    - In 2020, MassDEP finalized the “CES-E”, requiring a set amount of electricity from these sources each year from 2021 until 2050.
- The combined effect of the CES and CES-E is projected to reach approximately 90% in 2030 and approach 100% in 2050.

310 CMR 7.74:

- Establishes an allowance trading program for CO_2 emissions from electricity generation.
- Sets a declining limit on aggregate CO_2 emissions from 24 large fossil fuel-fired power plants, from 9.15 million metric tons of CO_2 in 2018 down to 1.8 in 2050.
- Includes allowance auctions.
- Allows flexibility in the form of limited allowance banking and an “emergency deferred compliance” option.

Commonwealth of Massachusetts

Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

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This information is available in alternate format by calling our ADA Coordinator at (617) 574-6872.