

CommonWealth

Resource Management Corporation

May 23, 2019

Sent by Electronic Mail: DOER.RPS@mass.gov

Mr. John Wassam
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: Comments on proposed changes to RPS Class I regulations at 225 CMR 14.00

Dear Mr. Wassam,

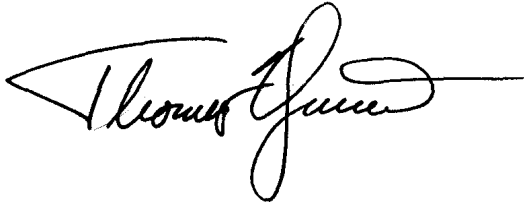
CommonWealth Resource Management Corporation (CRMC) submits these comments based on our role as an owner and operator of an existing landfill gas-to-energy project located in Dartmouth Massachusetts, and as a consultant that has assisted other companies to develop landfill gas and biogas-to-energy projects in Massachusetts as well as other New England states. Much of our development of landfill gas-to-energy facilities occurred during 1997 through 2005, which resulted in several of the first renewable energy facilities being constructed and operated in New England. The successful development of these early renewable energy projects (herein “legacy renewable energy projects”) was dependent in large part on the Renewable Portfolio Standards (RPS) promulgated by Massachusetts and specifically the eligibility of these projects to generate and sell Massachusetts Class 1 Renewable Energy Credits (MA Class 1 RECs). Most of the legacy renewable energy projects were developed without the ability to obtain long-term bundled power and RECs agreements that are now available to new renewable energy projects. Owners of the legacy renewable energy projects took the risk that the Massachusetts RPS program would provide a balance between supply and demand of Massachusetts Class 1 RECs to provide pricing that would support the legacy renewable energy projects particularly during periods where market-based power prices are low. Today we have low power prices and very low Massachusetts Class 1 RECs prices due to an oversupply of those RECs, which puts all the legacy renewable energy projects at great risk of being uneconomic. Closure of the legacy renewable energy projects would be counter to the policy goals to increase renewable energy in Massachusetts and bad for the environment. In general, CRMC asks that any changes you make to 225 CMR 14.00 result in supporting the economic viability of legacy renewable energy projects still operating in Massachusetts. CRMC has reviewed the proposed changes and offer the following specific comments.

Do not eliminate the capacity and electricity sales commitment and reporting requirements from Generators that are outside ISO-NE Control Area but selling into ISO-NE Control Area (Generator Importers) but rather strengthen these requirements or in the best case curtain their imports into ISO-NE Area altogether. The Generator Importers are one of the major reasons for the oversupply of MA Class 1 RECs. The Generator Importers eligibility under the MA Class 1 RECs program and the resulting flow of these imported RECs help many New York based

legacy projects because of the failure of New York's RPS program to support their own legacy projects within their own New York Control Area. The oversupply of RECs from the flow of imports have lowered MA Class 1 RECs prices to levels that are economically damaging to legacy renewable energy projects located in ISO-NE Control Area and specifically in Massachusetts. Exporting Massachusetts rate payer money out of the ISO-NE Control Area to adjacent control areas is an effective subsidy to those adjacent control areas and their rate payers, which is egregious for the rate payers of Massachusetts. Rate payer money should be supporting renewable energy projects located in their control area, not other control areas. CRMC recommends that the RPS regulations at 225 CMR 14.00 curtail the Generator Importers to strengthen the market for legacy renewable energy projects located in ISO-NE Control Area. Short of implementing a curtailment, CRMC recommends making the requirements to import RECs from adjoining control areas more arduous not less.

Thank you for your consideration of our comments. Please contact me directly with any questions at 508-339-3074 or tyeransian@crmcx.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Yeransian", with a long horizontal flourish extending to the right.

Thomas Yeransian
Principal