

**RESPONSE OF BROOKFIELD RENEWABLE AND
TERRAFORM POWER TO REQUEST FOR WRITTEN
COMMENTS ON PROPOSED CHANGES TO THE
RENEWABLE PORTFOLIO STANDARD**

In response to the Department of Energy Resources' (DOER) request for written comments on the above referenced stakeholder process, Brookfield Renewable ("Brookfield") and its affiliate, Terraform Power, Inc. ("TerraForm"), are pleased to submit the following written comments.¹ Brookfield and TerraForm appreciate the DOER's efforts to continually analyze the effectiveness of the Renewable Portfolio Standard (RPS) and identify opportunities for streamlining and efficiency.

Brookfield has a large presence in New England, including over 1,300MW of carbon-free resources in ISO-NE and a further 1,000MW that can be imported to New England from New York and Quebec. Our renewable hydro, wind and pumped storage resources are available to help meet the energy needs and environmental objectives of Massachusetts and the surrounding region. In Massachusetts, our facilities include a 600MW pumped storage facility (Bear Swamp) and a 10MW hydroelectric facility (Fife Brook), as well as our North American System Control Center in Marlborough.

TerraForm is an owner and operator of a best-in-class, 3,700+ MW renewable power portfolio including solar and wind assets in North America and Western Europe. Within the ISO-NE region, TerraForm owns and operates approximately 217 MW of wind generation and 135 MW of distributed solar resources.

¹ Brookfield and TerraForm have not responded to all proposed changes.

Specifically, Brookfield and TerraForm encourage DOER to:

- Ensure that any changes to the RPS Class I or Class II capacity commitment obligations align with statutory requirements.
- Retain adequate transparency measures to avoid double-counting concerns related to imported RPS-eligible resources.
- Avoid changes to SREC I eligibility timelines that depart from program history and the DOER's previously stated intent.
- Prioritize program changes that encourage investment and re-investment in non-emitting renewable resources.

Capacity Commitment Obligations and Imported RPS Resources

The DOER proposes removal of certain capacity commitment obligation requirements for eligible generators, including removal of the restriction preventing an RPS Class I or Class II resource from committing its capacity to another Control Area. The Brookfield Companies believe these changes would provide a more streamlined qualification process. However, we encourage DOER to ensure its proposed changes fully align with current statute – specifically, Massachusetts General Law Chapter 25 A, Section 105(c), which establishes capacity commitment requirements for imported Class I and Class II resources.

DOER also proposes changes to streamline restrictions that prevent double-counting of imported RPS Class I and Class II resources. DOER describes the changes as “eliminating certain requirements for generators outside of ISO-NE related to certificate tracking and requiring off-taker contracts with entities within the region,” “[streamlining] the regulation by removing unnecessary and duplicative tracking requirements that are challenging to enforce.”²

Brookfield's and TerraForm's understanding is the proposed changes would remove portions of the regulations that require eligible facilities to i) show the associated energy was settled in ISO-NE, ii) provide tracking data from a system comparable to NEPOOL GIS (NYGATS, for example) and iii) submit documentation showing transmission was secured to delivered the

² <https://www.mass.gov/files/documents/2019/05/15/RPS%20and%20APS%20Stakeholder%20Announcement.pdf>

associated energy to ISO-NE. While Brookfield and TerraForm do not dispute that these changes would streamline the current regulations as the DOER suggests, we urge the DOER to more adequately define how an eligible Class I or Class II resource will show it has not been sold, claimed or retired in another jurisdiction. Because not all neighboring jurisdictions have well-developed attribute tracking systems, Brookfield and TerraForm encourage DOER to ensure that any changes still include adequate transparency measures that retain program integrity and do not raise questions regarding the veracity of eligibility claims.

Solar Carve-Out Clarification

DOER proposes to clarify that facilities eligible for SREC I may not continue to generate SRECs after the first 40 quarters in which they are eligible. However, Brookfield and TerraForm interpret this not as a clarification, but as a substantive departure from the original intent and historical construction of the regulation. Up until now, it has been widely understood that a SREC I facility will be eligible to generate SREC Is until the SREC I program ends, after which time the facility will be eligible to generate RPS Class I RECs. While it is true that SREC facilities' ability to participate in the SREC Clearinghouse Auctions in order to be assured the floor price is clearly limited to 40 calendar quarters (the "Opt-In Term"), the DOER has previously made clear that the ability of SREC facilities to generate SREC Is will not end until *all* SREC I facilities have been in operation for a period equivalent to the Opt-In Term. In addition, the DOER has publicly acknowledged that SREC I creation by SREC I facilities are not limited to 40 quarters, including in the presentation *Solar Incentive Program in Massachusetts*, dated September 10, 2014, wherein the DOER indicated that a key difference between SREC I and SREC II is that "qualified [SREC II] projects generate SREC IIs for 40 quarters (10 years) from the quarter in which they qualify."

In short, this is a substantive midstream change in the DOER's construction of the regulation that will i) establish an extremely negative precedent – both for participants in the DOER's solar PV programs as well as existing and prospective participants in unrelated programs within the DOER's purview, ii) negatively impact the businesses and homeowners that own SREC I facilities and iii) depart from program history and the DOER's previously stated intent.

Changes to Eligible Technologies

Brookfield and TerraForm encourage the DOER to maintain its commitment to policies that promote the retention and deployment of resources most appropriate for achieving the goals of the Global Warming Solutions Act. To this point, we urge the DOER – at this time and in the future – to prioritize program changes that encourage investment and re-investment in non-emitting renewable resources.

Respectfully submitted,



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