

Frequency of Compliance Stakeholder Questions

November 13, 2019

In order to identify potential cases of non-compliance by Retail Electric Suppliers earlier in each compliance year and to limit risks of significant non-compliance and related effects on the Commonwealth meeting its Global Warming Solution Act requirements, the Department of Energy Resources (“DOER”) is considering further amendments to 225 C.M.R. 14.00 and 225 C.M.R. 15.00 to change the current annual compliance cycle for RPS Class I and RPS Class II to a more frequent compliance cycle. To assess the feasibility and implementation of such an action, the Department seeks stakeholder feedback on the following questions.

1. DOER is considering requiring 10% of the annual obligation be settled in each of quarter 1, 2, and 3, and requiring the remaining 70% of the annual obligation in Quarter 4. Please explain the positive and negative implications of this weighted approach. If an alternative distribution of annual obligation across the quarters is preferred, please provide details.
2. What potential RPS and energy market implications on Generation Units, Retail Electric Supplier, and other market participants should the Department consider in deciding whether to have more frequent compliance requirements?
3. Will an increase in the frequency of compliance filings create additional costs? Please identify, explain, and quantify any additional costs that would be passed on to ratepayers.
4. Are there ways in which the DOER could mitigate any identified additional costs of more frequent compliance for market participants and ratepayers?
5. Identify alternative compliance mechanisms, besides more frequent compliance requirements that the DOER could implement that would protect against potential impacts of non-compliance?
6. Please provide any additional information that pertains to the frequency of compliance review that you feel is relevant for the DOER’s consideration.

Responses to the above questions will be accepted until 5pm on December 4, 2019. Please send all responses to John Wassam at DOER.RPS@mass.gov with the subject “RPS Compliance Frequency Comment”.