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July 26, 2019

By E-mail to DOER.RPS@mass.gov

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

Subject: Proposed Changes to Massachusetts RPS Regulations

Mr. Wassam:

The Massachusetts Department of Energy Resources ("DOER") has proposed amendments to the Renewable Portfolio Standard ("RPS") having filed three amended draft regulations that modify Class I and Class II of the RPS and the Alternative Energy Portfolio Standard (APS).

RENEW Northeast ("RENEW") is a non-profit association uniting environmental advocates and the renewable energy industry whose mission involves coordinating the ideas and resources of its members with the goal of increasing environmentally sustainable energy generation in the Northeast from the region's abundant, indigenous renewable resources. RENEW members own and operate wind, hydro, and solar energy resources across the Northeast. Through this letter, RENEW provides feedback limited to the changes on the treatment of Class I RPS resources from outside the ISO New England ("ISO-NE") Control Area.¹ **RENEW is supportive of the proposed changes provided they will not cause significant market uncertainty and disruption at a time when Massachusetts needs a strong RPS to support existing renewable energy resources and develop new ones to meet its Global Warming Solutions Act requirements.** RENEW has joined coalition comments concerning the proposed changes to biomass eligibility.

RENEW supports DOER's retention of the following requirements to ensure consumers are receiving renewable energy with their purchases of Renewable Energy Certificates ("RECs"):

1. Generators selling renewable energy attributes from outside the ISO-NE Control Area are limited to the adjacent Control Areas. 225 CMR 14.02 and 225 CMR 14.05(5);
2. RECs claimed in other states cannot satisfy the Massachusetts RPS requirements (no double counting). 225 CMR 14.05(5)(b)(4);

¹ The comments expressed herein represent the views of RENEW and not necessarily those of any particular member of RENEW.

3. The supplier must satisfy NEPOOL GIS Operating Rule 2.7(c), which contains energy delivery obligations.² 225 CMR 14.05(5); and
4. A Generation Unit can only be credited for RECs in amount that is the lesser of its output produced or the energy scheduled and delivered into the ISO-NE Control Area. 225 CMR 14.05(5)(c)

Retaining the energy deliverability requirement in 225 CMR 14.05(5)(c) is especially important to ensure the regulations themselves have this obligation and it is not merely a reference to the NEPOOL GIS rules which are approved by a third-party and subject to change.

RENEW supports the following changes DOER is proposing that will remove onerous and unnecessary requirements on generators seeking to qualify imports from a Control Area Adjacent to ISO-NE:

1. Capacity commitment requirements. 225 CMR 14.05(1)(e);
2. Evidence of a contract or other enforceable obligation for delivery of energy to the ISO-NE Control area. 225 CMR 14.05(5)(a);
3. Settlement of energy in the ISO-NE market. 225 CMR 14.05(5)(b)(1);
4. Verification of megawatt-hours of production by NEPOOL GIS or comparable system if used for imports. 225 CMR 14.05(5)(b)(2); and
5. Confirmation of a NERC Tag showing transmission of energy from the adjacent control area. 225 CMR 14.05(5)(b)(2).

The removal of the above requirements will not weaken the requirement that RECs sales from imports contain associated energy due to the retained provisions listed above. The retained rules require imported energy be settled in the ISO-NE market, follow the NEPOOL GIS rules and have associated tie rights. The NEPOOL GIS has proven to be an effective system for tracking energy transactions using the NERC-tagging system and assuring Massachusetts RPS consumers receive energy related to their purchased RECs.

The proposed elimination of 225 CMR 14.05(1)(e) removes the requirement that all generators qualify capacity in the ISO-NE Control Area. The condition that external renewable resources commit as a capacity resource in the ISO-NE capacity market and provide documentation of it to DOER is an expensive and burdensome requirement on both the generators and DOER that is unnecessary to ensure RECs are sold in New England with the associated energy due to the other rules that will remain.

Although Section 105(c)(3) of the Green Communities Act of 2008 (“GCA”) mandates the generator “commit capacity”, this should not preclude DOER from eliminating the current

² NEPOOL GIS Rule 2.7(c)(v) requires that, for creation of Certificates for imports from an adjacent Control Area into the New England Control Area, the energy must have associated transmission rights over the ties to the New England Control Area and (w) requires that the energy be settled in the MSS.

Mr. John Wassam, Department of Energy Resources

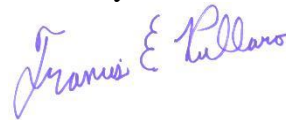
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approach to interpreting this CGA provision. First, the capacity commitment has never been interpreted to be an absolute. For example, the current rules provide for an exemption from this obligation in the event a Generation Unit cannot qualify in the capacity market due to what the rules describe as a “technical reason”. This exemption is necessary due to several of ISO-NE’s rules that can prevent Class I renewable resources- even ones located in the ISO-NE Control Area- from qualifying in the capacity market. Second, the rules themselves do even not specify that the generator needs to commit its capacity to a specific control area though the regulations today require it be committed to ISO-NE. RENEW believes that the requirement to “commit capacity” should not be controlled by ISO-NE rules. Rather, a Generation Unit meeting the energy and deliverability requirements should be deemed to be committing capacity.

Thank you for the opportunity to attend the public hearings and comment on the proposed changes.

Sincerely,

A handwritten signature in blue ink that reads "Francis E. Pullaro". The signature is written in a cursive, flowing style.

Francis Pullaro
Executive Director