Dear Samantha:

Please see our comments on the proposed Renewable Heating and Cooling in the Alternative Portfolio Standard regulations:

1. Organic Waste Ban language:

Eligible liquid biofuels produced from "a jurisdiction with an organic waste disposal ban in place equivalent or similar to the restrictions placed on Commercial Organic Materials in 310 CMR 19.017(3): Table, as determined by the Department in consultation with MassDEP."

a. IF this mean that any eligible organic waste originating from any MA (or other jurisdiction with similar laws) restaurants is eligible,

Comment:
Commercially available biofuels are primarily produced from vegetable oils and the most environmentally valuable ones are produced from waste vegetable oils and fats. This new concept significantly limits the amount of commercial biofuel that will be made available to be used as thermal energy. We estimate the maximum amount of biofuel that would be considered eligible under this concept is likely less than one million gallons per year. This estimate is based upon the total available waste fats oils and greases and the amount that one collector could prove chain of custody through to the waste producer. Further, other nearby States such as NH have thermal energy incentives that will make more sense to move MA waste out of state, given this limitation.

b. OR is this rule intended for those large establishments who are under organic waste ban enforcement currently?

Comment:
This would further limit the likelihood that **any** waste vegetable oil and fats would be used in MA for useful thermal energy.

c. New York City, Connecticut, Rhode Island, Vermont and California all have some degree of policy that is prohibiting food waste from entering a landfill.

Comment:
If this concept were to become part of the regulations, I would hope that waste derived from these States and NYC would be eligible. The DOER may consider making feedstock that originates in MA have a multiplier advantage over feedstock from other States. The supplier would have the burden of proving the origin to obtain the higher value for use of this feedstock.

2. Chain of Custody, feedstock origin:

Comment:

The chain of custody language again significantly limits the amount of biofuels that will be used to produce thermal energy in MA. Instead, the DOER may find it more effective to mirror the EPA's RFS2 rules regarding origin of feedstocks. Per the QAP regulations, company's must report where they acquire their feedstock from in the following ways. 1. If they collect directly from the waste producer, they must report collection volume by origin on a quarterly basis. 2. If they purchase feedstock from an intermediary, they must obtain a periodic affidavit from the intermediary certifying that the feedstock is eligible per the RFS2 regulations.

The commercial/institutional (the largest polluters and those heavy users who are likely to use 20% or greater renewable fuel ratios) renewable fuel demand outstrips the amount of MA based waste vegetable oil/fats feedstock by at least 10/1 . To fulfill even a fraction of MA renewable fuel demand, any biofuel producer will need to purchase feedstock from other regional collectors. Due to competitive issues, these collectors are not willing to provide detailed collection records to prove the origin of the materials or chain of custody. They will however make available an affidavit or other certification as to the eligibility of the feedstock.

3. Regarding fuel specification,

"Eligible Liquid Biofuels need to meet quality standard ASTM Standard D6751 (Standard Specification for Biodiesel Fuel Blend Stock (B100) for Middle Distillate Fuels or ASTM D396 - 15b (Standard Specification for Fuel Oils)."

Comments:

We believe that the question of eligibility from a fuel specifications perspective has been answered by the EPA RFS2 program. The below definition of heating oil has been established by the EPA and is complied with to a great degree of reliability through the QAP program. The two other hurdles to compliance is assurance that the fuel's end-use is technically appropriate (protecting the buyer/user of the fuel) and that the feedstock is eligible.

RFS2 Defines Heating Oil:
The definition of “heating oil” at 40 CFR §80.1401 means:

(1) A fuel meeting the definition of heating oil set forth in §80.2(ccc); or

(2) A fuel oil that is used to heat interior spaces of homes or buildings to control ambient climate for human comfort. The fuel oil must be liquid at 60 degrees Fahrenheit and 1 atmosphere of pressure, and contain no more than 2.5% mass solids.

4. Metering Guidelines:

"This Guideline is effective immediately upon issuance. However, the Department of Energy Resources (Department) may consider exceptions from the Guideline in the case of RTGUs that went into commercial operation prior to the issuance date, but not earlier than January 1, 2015."

Comments:
We were provided guidance from DOER regarding tracking of shipments to qualifying RTGU's in order to be able to mint AECs back to 1/1/2015 upon promulgation. The basis of producing these RINs would be tracking of gallons shipped via RFS2 QAP data and accounting for the RTGU's efficiency and other available system data. The ability to produce AECs back to 1/1/2015 is critical for continuing to serve MA customers. Please provide a time frame that the RTGU will have to comply with the new guidelines and have the appropriate meter devices installed in order to continue to produce AECs.

Thank you,

Rory Gaunt
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