SENATE No. 1675

The Commonwealth of Massachusetts

PRESENTED BY:

Robert L. Hedlund

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to renewable energy generation and connection.

PETITION OF:

NAME: DISTRICT/ADDRESS:

Robert L. Hedlund

SENATE No. 1675

By Mr. Hedlund, a petition (accompanied by bill, Senate, No. 1675) of Robert L. Hedlund for legislation to generate and connect renewable energy. Telecommunications, Utilities and Energy.

The Commonwealth of Alassachusetts

In the Year Two Thousand Eleven

An Act relative to renewable energy generation and connection.

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Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Chapter 164 of the Massachusetts General Laws is hereby amended by inserting, at the end thereof, the following new section:-

SECTION 1: Section 1: The State of Massachusetts finds that: (1) Electricity produced from renewable resources helps to reduce greenhouse gas emissions, and limits emissions of other pollutants regulated pursuant to the Clean Air Act, enhances national energy security, and provides substantial economic benefits. (2) The need exists for the rapid expansion of low and zero carbon-emitting electric generation at a far greater pace than current levels. (3) Distributed electric generation is energy efficient, promotes grid stability and reduces transmission system congestion during periods of peak demand. (4) A transition toward renewable energy sources brings economic benefit to consumers by reducing their exposure to increasingly volatile fossil fuel markets. (5) Renewable energy payments, also known as 'feed-in tariffs', are a proven mechanism for accelerating the development of renewable energy in grid-connected areas. (6) By guaranteeing access to the grid and setting a favorable price per unit of power, feed-in tariffs

ensure that renewable energy is a sound long-term investment for companies, for industry, and for individuals and thereby creates a strong economic incentive for investing in renewable energy technologies. (7) The International Energy Agency, the European Commission and the United Kingdom's Stern Review have determined that feed-in tariff policies in Germany, Spain, France and other European Union countries have achieved larger renewable energy deployment at lower costs, compared with policies in other European Union countries. Section 2. The purpose of this Act is to-- (1) enable the rapid and sustainable development of distributed renewable electricity generation in Massachusetts; (2) stimulate the development of new jobs and industry in Massachusetts; (3) create a stable and secure market for capital investments in renewable energy technologies; (4) reduce air and water pollution, related health problems and health-care expenditures; (5) help prevent greenhouse gas concentrations in the atmosphere from reaching levels that would cause dangerous global temperature increases of more than 2 degrees Celsius above pre-industrial levels; (6) protect natural resources; (7) allow all citizens to participate in renewable electricity generation; (8) reduce the price volatility and long term costs of electricity; (9) place the Massachusetts at the forefront of the global renewable energy revolution; and (10) reduce the dependence of Massachusetts on foreign sources of energy.

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SECTION 2. (a) Standards- In order to encourage the use of renewable energy facilities and to ensure the safety and reliability of renewable energy facilities and transmission systems interconnected with those facilities, within one year after the enactment of this section, the Department of Public Utilities shall propose rules establishing standards for the physical connection between-- (1) renewable energy facilities; and (2) transmission facilities of transmitting utilities subject to the jurisdiction of the Department under this part.(b) Expedited Procedures- The standards under this section shall include separate expedited procedures for

interconnecting renewable energy facilities up to 10 kilowatts and a separate standard that expedites interconnection for renewable energy facilities up to 2000 kilowatts. In designing such expedited procedures, the Department shall consider model rules published by the Interstate Renewable Energy Council. (c) Final Rule- Within 2 years after the enactment of this section, and after notice and opportunity for comment, the Department shall promulgate, and from timeto-time thereafter revise, final standards under this section. Such revisions shall take into account changes in the underlying standards and technologies. Such revisions shall be made available to regulatory authorities for their consideration prior to final promulgation. (d) Safety, Reliability, Performance, and Cost- The standards under this section shall establish those measures for the safety and reliability of the affected equipment and transmission systems as may be appropriate. Such standards shall be consistent with the reliability standards under section 215 and all applicable safety and performance standards established by the national electrical code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, or the American National Standards Institute, and the North American Electric Reliability Council, yet constitute the minimum cost and technical burdens to the interconnecting renewable energy facility as the Department shall, by rule, prescribe.(e) Additional Charges- The standards under this section shall prohibit the imposition of additional charges by the owners or operators of transmission systems for equipment or services for interconnection that are additional to those necessary to achieve the objectives of subsection (d).(f) Reliability- The rules under this section shall include provisions respecting minimum reliability of renewable energy facilities (including reliability of such facilities during emergencies) and rules respecting reliability of electric energy service to be available to such facilities from transmitting utilities and public utilities during emergencies. (g) Grid Interconnection-Related Network Upgrades- The standards under this subsection shall

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provide the following:(1) The obligation to provide priority interconnection for renewable energy facilities (as required under subsection (h)) shall apply to:(A) Any transmitting utility providing transmission service subject to the jurisdiction of the Department to electric utilities in a retail service territory that includes the renewable energy facility if-- (i) such transmitting utility is in possession of transmission facilities technically suitable to receive electricity from the renewable energy facility; and (ii) there is no other transmission or distribution facility with a technically and economically more suitable connection point. (B) Transmission facilities shall be deemed to be technically suitable under subparagraph (A) even if feeding in the electricity requires the transmitting utility to upgrade its transmission facilities at a reasonable economic expense, as determined by the Department. In this case, the transmitting utility shall upgrade its transmission facilities without undue delay, if so requested by an interconnecting renewable energy facility. (C) The obligation to upgrade the transmission facilities shall apply to all technical facilities required for operating the transmission system and to all connecting installations which are owned by or passed into the ownership of the transmitting utility. (2) EXCEPTIONS- The standards under this section shall not require any transmitting utility to interconnect with renewable energy facilities or to provide priority access to available transfer capability on the transmission system if the transmitting utility is already committed through long-term contracts to full capacity of its load and such utility has no ability to transmit any new generation from renewable energy facilities to any other electric utility. (3) COSTS OF NETWORK UPGRADES- The standards under this section shall provide that all prudently incurred costs associated with network upgrades to accommodate new renewable energy facilities for the purchase and transmission of electricity produced from renewable energy facilities shall be initially borne by the electric utility or transmitting utility. (h) Priority of

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Orders- Any renewable energy facility may apply to the Department for an order requiring the interconnection of such facility with the transmission system of any transmitting utility in accordance with the standards under this section, and the Department shall issue such an order after notice and opportunity for hearing. The Department shall give priority to the consideration of applications from renewable energy facilities under this section and shall ensure that applications by renewable energy facilities are given priority interconnection and priority access to available transfer capability on the transmission system over applications from facilities that are not renewable energy facilities. (i) Effective Date- This section shall take effect with respect to applications submitted to the Department under subsection (h) after the effective date of regulations promulgated under this section. SECTION 3. The Department of Public Utilities is hereby authorized and directed to promulgate rules and regulations to carry out the provisions of this section.