



COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE OFFICE OF  
ENERGY AND ENVIRONMENTAL AFFAIRS  
**DEPARTMENT OF ENERGY RESOURCES**  
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**Patrick C. Woodcock**  
Commissioner

VIA EMAIL AND HAND DELIVERY

April 27, 2021

To: Clerk of the House of Representatives  
CC: Chairs of the Joint Committee on Telecommunications, Utilities, and Energy  
RE: Submission of amended Renewable Energy Portfolio Standard – Class I & II – 225 CMR 14.00 and 225 CMR 15.00 to General Court

Dear Clerk:

On April 16, 2021, the Department of Energy Resources (Department) filed the phase 1 final amendments of RPS regulations after notifying the Joint Committee on Telecommunication, Utilities and Energy of the Department's decision to bifurcate the RPS regulations into two phases. Included in the filing on April 16th were all changes, not including the proposed biomass amendments, that were submitted to the House Clerk on December 4, 2020 and subsequently referred to the Joint Committee on Telecommunication, Utilities and Energy on December 14, 2020.

The Department has made the decision to restart the approval process for the attached draft regulations by submitting them for referral to the Joint Committee on Telecommunication, Utilities and Energy in accordance with M.G.L. c. 25A, § 12.

Pursuant to M.G.L. Chapter 25A, Section 12, please find enclosed:

- 225 CMR 14.00 and 15.00 – draft Renewable Energy Portfolio Standard Regulations (amended)
- Summary of the amended Regulations in layman's terms

In the development of amendments to 225 CMR 14.00 and 225 CMR 15.00, the pertinent provisions of Chapter 30A, except section five, have been complied with.

In addition to the requirements of Section 12, the Department has made additional information, including a response to public comments received, available to the public regarding these amendments. That information is accessible through the Department's website:

<https://www.mass.gov/service-details/rps-class-i-ii-rulemaking>

Please direct questions and comments on this regulation to:

Johannes Buchanan  
Legislative Director  
857-268-0011  
Johannes.K.Buchanan@mass.gov

Sincerely,

Patrick C. Woodcock  
Commissioner

## **Summary Renewable Energy Portfolio Standards – Class I & II –225 CMR 14.00 and 225 CMR 15.00**

The Class I Renewable Energy Portfolio Standard (“RPS Class I”) was established as part of the Electricity Restructuring Act of 1997 and is codified at M.G.L. c. 25A, § 11F (“Statute”). The Department of Energy Resources (“DOER”) first promulgated 225 CMR 14.00: Renewable Energy Portfolio Standard – Class I (“Regulations”) in 2002 to implement the Statute.

The Class II Renewable Energy Portfolio Standard (“RPS Class II”) was established as part of the Green Communities Act of 2008 and is also codified at M.G.L. c. 25A, § 11F. DOER first promulgated 225 CMR 15.00: Renewable Energy Portfolio Standard – Class II in 2009 to implement the Statute.

Both the RPS Class I and Class II allow for qualified renewable energy generators to earn Renewable Energy Certificates (RECs) for every megawatt hour of renewable electricity that they produce. These certificates may then be purchased by retail electricity suppliers, who are required to document annually that they have procured a certain quantity of RECs each year. These resources contribute to the Commonwealth's clean energy goals by increasing renewable energy generation, reducing the need for conventional fossil fuel-based power generation, and assisting the Commonwealth in meeting its obligations under the Global Warming Solutions Act.

In 2019, retail electricity suppliers were obligated to procure Class I RECs equal to an amount of 14% of their total electricity sales to end-use customers. This requirement increases by 2% each following year until 2029, when it will then increase 1% each following year. Under RPS Class II, retail electricity suppliers are required to procure Class II RECs equal to an amount of 3.2056% of their total electricity sales to end-use customers in 2020. This requirement increases each year pursuant to a formula in the regulation, though is capped at 3.6%. Lastly, retail electricity suppliers are also required to procure Class II Waste Energy Certificates (WECs) from qualified waste energy generators. The 2020 retail electricity supplier requirement for Class II WECs is currently equal to an amount of 3.5% of their total electricity sales to end-use customers, but DOER is proposing to increase this requirement to 3.7% to reflect changes in retail load since the requirement was first established in 2009. This obligation remains constant from year to year.

The proposed changes to the RPS Class I and Class II Regulations are designed to meet the objectives of Executive Order 562. The changes streamline the RPS Class I and Class II Regulations, align the rules to other programs, reduce costs to ratepayers, and address specific policy objectives.

The draft RPS Class I and Class II Regulations were released for public comment April 5, 2019. Public comment period was extended to allow more time for comments to be submitted and subsequently closed on July 26, 2019. During that time, DOER held four public hearings on June May 13, May 16, May 17, and June 5, 2019. DOER received over 2,500 written public comments. On November 13, 2019, DOER sent a notice to stakeholders to seek comments on the frequency of compliance requirements and closed the public comment period on the matter on December 4, 2019. DOER received seven (7) written public comments.

Following a review of the public comments, DOER undertook additional analysis to assess the impacts of the proposed regulations. The DOER revised the draft RPS Class I and Class II Regulations and associated guidelines after review of the public comments and the additional analysis.

The draft RPS Class I Regulations include previously proposed provisions such as capping future Alternative Compliance Payment rates, ensuring that retail electricity suppliers cannot avoid discharging obligations in the event of non-compliance eliminating capacity commitment obligation requirements that are applicable to certain types of generators, eliminating certain requirements for generators outside of ISO-NE, and reducing the number of Solar Renewable Energy Certificates (SREC) that can be generated after 2020. Following the review of public comments, DOER amended the draft regulations to incorporate a phased reduction in the the ACP to align with Connecticut RPS Class I ACP, continue to require recertification with LIHI for hydroelectric facilities, and allow DOER to modify SREC factor.

The draft RPS Class II Regulations include previously proposed provisions such as adjusting the RPS Class II Waste Energy minimum standard, increasing the ACP for RPS Class II Waste Energy, and aligning with proposed changes in RPS Class I regulations. Following the review of the public comments, DOER has aligned the RPS Class II Regulations to align with changes made in RPS Class I Regulations, and has adjusted the starting year for Waste Energy minimum standard and ACP to 2021.

# HOUSE . . . . . No. 3708

Communication from the Division of Energy Resources of the Executive Office of Energy and Environmental Affairs (under the provisions of section 12 of Chapter 25A of the General Laws) submitting amendments to 225 CMR 14.00 and 15.00, Renewable Energy Portfolio Standard Regulations (RPS). Telecommunications, Utilities and Energy.

## The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court  
(2021-2022)

### 225 CMR 14.00 RENEWABLE ENERGY PORTFOLIO STANDARD - CLASS I

#### Section

14.01: Authority

14.02: Definitions

14.03: Administration

14.04: Applicability

14.05: Eligibility Criteria for RPS Class I, Solar Carve-out Renewable Generation Units, and Solar Carve-out II Renewable Generation Units

14.06: Qualification Process for RPS Class I, Solar Carve-out Renewable Generation Units, and Solar Carve-out II Renewable Generation Units

14.07: Renewable Energy Portfolio Standard - Class I

14.08: Compliance Procedures for Retail Electricity Suppliers

14.09: Annual Compliance Filings for Retail Electricity Suppliers

14.10: Reporting Requirements

14.11: Inspection

14.12: Non-compliance

14.13: Severability

#### 14.01: Authority

225 CMR 14.00 is promulgated pursuant to M.G.L. c. 25A, § 11F.

#### 14.02: Definitions

Advancement of Biomass Conversion Generation Unit. A Generation Unit that utilizes an Eligible Biomass Woody Fuel determined by the Department to significantly advance biomass energy conversion by either:

(a) utilizing a new energy conversion technology; or

33 (b) processing the woody biomass fuel in a new manner, but in no instance shall  
34 the Unit use a single cycle steam turbine generator. The Unit shall be amongst the  
35 first installed Generation Units, and demonstrate advancement in the commercial  
36 applicability, including advancements in the control and reduction of emissions  
37 other than greenhouse gas emissions, of biomass energy.  
38

39 Aggregation. A group of one or more Generation Units that receives a single Statement  
40 of Qualification from the Department under criteria and procedures set forth in 225  
41 CMR 14.05(6).  
42

43 Alternative Compliance Credit. A credit obtained by a Retail Electricity Supplier upon  
44 making an Alternative Compliance Payment. Such credit is used to document  
45 compliance with 225 CMR 14.07. One unit of credit shall be equivalent to one RPS  
46 Class I Renewable Generation Attribute, Solar Carve-out Renewable Generation  
47 Attribute, or Solar Carve-out II Renewable Generation Attribute.  
48

49 Alternative Compliance Payment (ACP). A payment of a certain dollar amount per  
50 MWh, resulting in the issuance of Alternative Compliance Credits, which a Retail  
51 Electricity Supplier may submit to the Department in lieu of providing RPS Class I  
52 Renewable Generation Attributes, Solar Carve-out Renewable Generation Attributes,  
53 or Solar Carve-out II Renewable Generation Attributes required under 225 CMR  
54 14.07.  
55

56 Assurance of Qualification. A communication issued by the Department to Solar  
57 Carve-out II Renewable Generation Units that provides Solar Carve-out II Renewable  
58 Generation Units with an assurance of qualification prior to being granted the approval  
59 to interconnect by their local Distribution Company and sets deadlines for receiving  
60 the approval to interconnect to the grid in order to maintain this Assurance of  
61 Qualification.  
62

63 Authorized Agent. A person or entity that serves under an agreement entered into by  
64 each of the Owners or Operators of Generation Units within an Aggregation for all  
65 dealings with the Department and with the NEPOOL GIS.  
66

67 Biomass Fuel Certificate. A certificate issued in accordance with rules established by  
68 the Department in the *Biomass Eligibility and Certificate Guideline* that:

- 69 (a) represents one ton, equal to 2000 pounds, of supply of Eligible Biomass Woody  
70 Fuel;
- 71 (b) specifies the source of the wood; and
- 72 (c) specifies the woods eligibility as Forest Derived Residues, Forest Derived  
73 Thinnings, Forest Salvage, Non-forest Derived Residues, or Dedicated Energy  
74 Crops. For Forest Derived Residues and Forest Derived Thinnings, the Certificate  
75 shall reference the relevant Eligible Forest Biomass Tonnage Report, and include  
76 any additional information deemed necessary by the Department.  
77

78 Biomass Input Heat Content. The thermal energy content, measured in MWh, of  
79 biomass fuel as it is input into a Generation Unit over a period of time. For the purpose  
80 of wood chips, the value will be determined using a methodology to be provided by  
81 the Department in the *Overall Efficiency and Greenhouse Gas Analysis* Guideline.  
82 The methodology will include a weighted average of all the metered weight of utilized  
83 biomass fuel types (as differentiated by typical moisture content), and an assigned heat  
84 content from referenced literature to each biomass type. For processed biomass fuels,  
85 the thermal energy content shall be documented to the satisfaction of the Department  
86 by an independent testing laboratory.

87  
88 Blended Fuel. A liquid or gaseous fuel that is blended from both Eligible RPS Class I  
89 Renewable Fuel(s) and ineligible fuel(s), a portion of whose electrical energy output  
90 may qualify as RPS Class I Renewable Generation under criteria set forth in 225 CMR  
91 14.05(3).

92  
93 Brownfield. A disposal site that has received a release tracking number from  
94 MassDEP pursuant to 310 CMR 40.0000: *Massachusetts Contingency Plan*, the  
95 redevelopment or reuse of which is hindered by the presence of oil or hazardous  
96 materials, as determined by the Department, in consultation with MassDEP. For the  
97 purposes of this definition, the terms "disposal site," "release tracking number," "oil,"  
98 and "hazardous materials" shall have the meanings giving to such terms in 310 CMR  
99 40.0006: *Terminology, Definitions and Acronyms*. No disposal site that otherwise  
100 meets the requirements of 225 CMR 14.02: Brownfield shall be excluded from  
101 consideration as a Brownfield because its cleanup is also regulated by the  
102 Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.  
103 §§ 9601-9675, the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6921 -  
104 6939g, or any other federal program.

105  
106 Building Mounted Solar Generation Unit. A solar photovoltaic Generation Unit with  
107 at least 75% of the nameplate capacity of the solar modules used for generating power  
108 installed on a building.

109  
110 Business Day. A business day shall mean Monday through Friday, exclusive of state  
111 and federal legal holidays.

112  
113 Certificates Obligation. A term defined in the NEPOOL GIS Operating Rules at Rule  
114 4.1(b).

115  
116 Co-mingled Biomass Woody Fuel. Any woody biomass fuel, that is clean and devoid  
117 of non-woody biomass, paints, stains or other contaminants, and fossil fuel derived  
118 materials, and which is physically co-mingled or mixed with Eligible Biomass Woody  
119 Fuel.

120  
121 Commercial Operation Date. The date that a Generation Unit first produces electrical  
122 energy for sale within the ISO-NE Control Area or within an adjacent Control Area.  
123 In the case of a Generation Unit that has been moved from a location within the ISO-

124 NE Control Area or within an adjacent Control Area to another location in one of those  
125 Control Areas, the date that such Generation Unit first produced electrical energy for  
126 sale at its earliest location in those Control Areas. In the case of a Generation Unit that  
127 is connected to the End-use Customer's side of the electric meter, the date on which  
128 the local Distribution Company grants approval for the Generation Unit to  
129 interconnect with the grid. In the case of a Generation Unit that produces Off-grid  
130 Generation, the date that such Generation Unit first produces electrical energy. In the  
131 case of a Generation Unit that meets the eligibility requirements of 225 CMR 14.05  
132 and co-fires an Eligible RPS Class I Renewable Fuel, the date when the Generation  
133 Unit first co-fires such Eligible RPS Class I Renewable Fuel.

134  
135 Community Shared Solar Generation Unit. A solar photovoltaic Generation Unit that  
136 provides net metering credits to three or more utility accounts, whose participants have  
137 an interest in the production of the Generation Unit or the entity that owns the  
138 Generation Unit, in the form of formal ownership, a lease agreement, or a net metering  
139 contract. No more than two participants may receive net metering credits in excess of  
140 those produced annually by 25 kW of nameplate DC capacity, and the combined share  
141 of said participants' capacity shall not exceed 50% of the total capacity of the  
142 Generation Unit.

143  
144 Compliance Filing. A document filed annually by a Retail Electricity Supplier with  
145 the Department documenting compliance with 225 CMR 14.07, consistent with the  
146 format set forth in the Guidelines and submitted no later than the first day of July, or  
147 the first Business Day thereafter, of the subsequent Compliance Year.

148  
149 Compliance Year (CY). A calendar year beginning January 1 and ending December  
150 31, for which a Retail Electricity Supplier must demonstrate that it has met the  
151 requirements of 225 CMR 14.07 and 14.08.

152  
153 Control Area. A geographic region in which a common generation control system is  
154 used to maintain scheduled interchange of electrical energy within and without the  
155 region.

156  
157 Current Use Program. A state administered program that permits a property owner to  
158 have a parcel of land taxed at a rate based on the current use of the land including but  
159 not limited to open space, active forestry, or agriculture as opposed to the fair market  
160 or development value of the property.

161  
162 DCR. The Massachusetts Department of Conservation and Recreation (DCR)  
163 established by M.G.L. c. 21 § 1.

164  
165 Dedicated Energy Crops. Wood purposefully grown for the purpose of producing fuel,  
166 provided that such wood was not grown on land that sequestered significant amounts  
167 of carbon, such as a forest, and provided that such land does not have the economic  
168 potential to support production of any other agricultural crop grown for human  
169 consumption as food.



170  
171 Distribution Company. A distribution company as defined in M.G.L. c. 164 § 1.  
172

173 Department. The Massachusetts Department of Energy Resources (DOER),  
174 established by M.G.L. c. 25A.  
175

176 Eligible Biomass Fuel. Fuel sources consisting of Eligible Biomass Woody Fuel, Co-  
177 mingled Biomass Woody Fuel, Manufactured Biomass Fuel; by-products or waste  
178 from animals or agricultural crops; food or vegetative material; algae; organic refuse  
179 derived fuel; anaerobic digester gas and other biogases that are derived from such  
180 resources; and neat Eligible Liquid Biofuel that is derived from such fuel sources; but  
181 shall not include Construction and Demolition Waste as defined in 310 CMR 19.006:  
182 *Definitions.*  
183

184 Eligible Biomass Woody Fuel. Woody fuels that are derived from the following  
185 sources, consistent with the requirements of 225 CMR 14.05(8):

186 (a) Forest Derived Residues.

- 187 1. Tops, crooks and other portions of trees produced as a byproduct during the  
188 normal course of harvesting material, such as timber, pulpwood or cordwood.  
189 3. Other woody vegetation that interferes with regeneration or the natural  
190 growth of the forest, limited to locally invasive native species and non-native  
191 invasive woody vegetation.

192 (b) Forest Derived Thinnings

- 193 1. Unacceptable growing stock which is defined as trees considered  
194 structurally weak or have low vigor and do not have the potential to eventually  
195 yield a 12 foot sawlog or survive for at least the next ten years.  
196 2. Trees removed during thinning operations, the purpose of which is to reduce  
197 stand density and enhance diameter growth and volume of the residual stand.

198 (c) Forest Salvage. Damaged, dying or dead trees removed due to injurious  
199 agents, such as wind or ice storms or the spread of invasive epidemic forest  
200 pathogens, insects and diseases or other epidemic biological risks to the forest,  
201 but not removed due to competition. Such eligible trees may be removed  
202 without limitation for biomass fuel, only if a major threat to forest health or  
203 risk to private or public resources, and if the USDA Animal Health and Plant  
204 Inspection Service (APHIS), the USDA Forest Service, or appropriate federal  
205 or state governmental agency has issued a declaration, rule, or order declaring  
206 a major threat to forest health or risk to private or public resources. Forest  
207 Salvage also includes trees removed to reduce fire hazard within Fire-adapted  
208 Forest Ecosystems, as certified by a letter to the Department from the state  
209 agency responsible for forestry in consultation with the appropriate  
210 environmental state agencies.

211 (d) Non-forest Derived Residues.

- 212 1. Primary Forest Products Industry. Lumber mill residues or lumber  
213 processing residues consisting of the slabs, shavings, trimmings, sawdust,  
214 bark, end pieces of wood, and log cores that result from the various processing  
215 operations occurring in sawmills, pulp mills, and veneer and plywood plants.

- 216 2. Secondary Forest Products Industry. Wood waste produced as a byproduct  
217 of the production of finished wood products, including but not limited to clean  
218 residues from woodworking shops, furniture factories, and truss and pallet  
219 manufacturing.
- 220 3. Land Use Change - Non-agricultural. Trees cut or otherwise removed in the  
221 process of converting forest land to non-forest and non-agricultural uses  
222 provided that such development has already received all applicable state and  
223 local permits for the development.
- 224 4. Land Use Change - Agricultural. Trees cut or otherwise removed in the  
225 process of converting forest land to agricultural usage, either for new or  
226 restored farm land.
- 227 5. Yard Waste. Leaves, grass clippings, prunings, and other natural organic  
228 matter discarded from yards and gardens.
- 229 6. Wood Waste. Non-treated pallets; pruned branches, stumps, and whole trees  
230 removed during the normal course of maintenance of public or private roads,  
231 highways, driveways, utility lines, rights of way, and parks.

232  
233 Eligible Forest Biomass Tonnage Report. The report certified by a professional  
234 forester under the provisions of 225 CMR 14.05(8) that details the amounts of Forest  
235 Derived Thinnings and Forest Derived Residues that may be removed from a harvest  
236 site to be Eligible Biomass Woody Fuel. In the case of a Forest Derived Residue, the  
237 Report further details whether such Forest Derived Residue is derived from harvest  
238 by-products or invasive species, as defined in the subcategories of Forest Derived  
239 Residue.

240  
241 Eligible Landfill. A landfill that has received an approval from MassDEP for the use  
242 of a solar photovoltaic Generation Unit at the landfill as a post-closure use pursuant  
243 to 310 CMR 19.143: *Post-closure Use of Landfills*.

244  
245 Eligible Liquid Biofuel. A liquid fuel that is derived from Eligible Biomass Fuel, but  
246 is not Eligible Biomass Woody Fuel or Co-mingled Biomass Woody Fuel, and that  
247 yields at least a 50% reduction in Lifecycle Greenhouse Gas Emissions relative to  
248 average lifecycle greenhouse gas emissions for petroleum distillate fuel sold in 2005,  
249 as determined by the Department in consultation with the MassDEP and the Executive  
250 Office; or that is derived from waste feedstocks consisting of previously used or  
251 discarded solid, liquid or contained gaseous material resulting from industrial,  
252 commercial or household food service activities that would otherwise be stored,  
253 treated, transferred or disposed. Waste feedstock shall include, but not be limited to,  
254 waste vegetable oils, waste animal fats, substances derived from wastewater and the  
255 treatment of wastewater, or grease trap waste. Waste feedstock shall not include  
256 petroleum-based waste or waste that otherwise meets the definition of hazardous  
257 waste, unless otherwise determined by the MassDEP.

258  
259 Eligible RPS Class I Renewable Fuel. An Eligible Biomass Fuel, landfill methane gas,  
260 hydrogen derived from such fuels or hydrogen derived from water using the electrical  
261 output of a Renewable Generation Unit, but not hydrogen derived using RPS Class I

262 Renewable Generation if the RPS Class I Renewable Generation Attributes of such  
263 Generation are sold, retired, claimed, used or represented as part of electrical energy  
264 output or sales, or used to satisfy regulatory obligations in any jurisdictions, and not  
265 hydrogen derived directly or indirectly from ineligible fuels.

266  
267 Emergency Power Generation Unit. A solar photovoltaic Generation Unit installed for  
268 the purpose of providing 67% or more of its annual electric output to be used on-site  
269 as prescribed by 225 CMR 14.09(a) at critical infrastructure that can be utilized in the  
270 event of an emergency or power outage. For purposes of Emergency Power  
271 Generation Unit, critical infrastructure includes, but is not limited to, the following:  
272 hospitals, police and fire stations, airports, emergency management agencies,  
273 acute/post-acute medical facilities with life sustaining equipment, water and sewer  
274 treatment facilities, pump stations, evacuation centers, and emergency  
275 communications centers that serve a life safety function.

276  
277 End-use Customer. A person or entity in Massachusetts that purchases electrical  
278 energy at retail from a Retail Electricity Supplier, except that a Generation Unit taking  
279 station service at wholesale from ISO-NE or self-supplying from its owner's other  
280 generating stations, shall not be considered an End-use Customer.

281  
282 Executive Office. The Executive Office of Energy and Environmental Affairs  
283 established by M.G.L. c. 6A, § 2.

284  
285 Fire-adapted Forest Ecosystem. Natural forest communities characterized by  
286 vegetation including, but not limited to, pitch pine and/or scrub oak occurring on  
287 droughty soils, and that:

- 288 (a) have evolved with fire as a natural process;  
289 (b) support and renew associated wildlife species and habitats; and  
290 (c) are identified on the most recently updated U.S. Department of Interior,  
291 Geological Survey national LANDFIRE map.

292  
293 Generation Attribute. A non-price characteristic of the electrical energy output of a  
294 Generation Unit including, but not limited to, the Unit's fuel type, emissions, vintage  
295 and RPS eligibility.

296  
297 Generation Unit. A facility that converts a fuel or an energy resource into electrical  
298 energy.

299  
300 Geothermal Energy. Heat energy stored in the Earth's crust that can be accessed for  
301 electric power generation.

302  
303 GIS Certificate. An electronic record produced by the NEPOOL GIS that identifies  
304 Generation Attributes of each MWh accounted for in the NEPOOL GIS.

305  
306 Guideline. A set of clarifications, interpretations, and procedures, including forms,  
307 developed by the Department to assist in compliance with the requirements of 225

308 CMR 14.00. The Department may issue new or revised Guidelines from time to time.  
309 Each Guideline shall be effective on its date of issuance or on such date as is specified  
310 therein, except as otherwise provided in 225 CMR 14.00.

311  
312 Historical Generation Rate. The average annual electrical production from a Vintage  
313 Generation Unit that meets the requirements of 225 CMR 14.05(1)(a), stated in  
314 MWhs, for the three calendar years 1995 through 1997, or for the first 36 months after  
315 the Commercial Operation Date if that date is after January 1, 1995.

316  
317 Hydroelectric Energy. Electrical energy from a Generation Unit that uses flowing  
318 freshwater as the primary energy resource, with or without a dam structure or other  
319 means of regulating water flow, and that is not located at a facility that uses mechanical  
320 or electrical energy to pump water into a storage facility (*i.e.*, a so-called "pumped-  
321 storage facility").

322  
323 Impacted Watershed. All water bodies or areas of land hydrologically connected to a  
324 hydroelectric facility, whether located upstream or downstream, which may  
325 experience any alteration of their physical, biological, or ecological characteristics as  
326 a result of the operation or increased capacity expansion of a hydroelectric Generation  
327 Unit.

328  
329  
330 ISO-NE. ISO New England Inc., the independent system operator for New England,  
331 the regional transmission organization for most of New England, which is authorized  
332 by the Federal Energy Regulatory Commission (FERC) to exercise for the New  
333 England Control Area the functions required pursuant to the FERC's Order No. 2000,  
334 the FERC's corresponding regulations.

335 ISO-NE Settlement Market System. The ISO-NE's electronic database system into  
336 which all real-time load and generation data are entered and from which such data are  
337 provided to the NEPOOL GIS.

338  
339 Lifecycle Greenhouse Gas Emissions. The aggregate quantity of greenhouse gas  
340 emissions, including direct emissions and significant indirect emissions such as  
341 significant emissions from land use changes, and temporal changes in forest carbon  
342 sequestration and emissions resulting from biomass harvests, regrowth, and avoided  
343 decomposition as determined by the Department in consultation with the MassDEP  
344 and the Executive Office, related to the full fuel lifecycle, including all stages of fuel  
345 and feedstock production and distribution, from feedstock generation or extraction  
346 through the distribution and delivery of the finished fuel to the ultimate consumer,  
347 where the mass values for all greenhouse gases are adjusted to account for their  
348 relative global warming potential.

349  
350 Low Impact Hydropower Institute (LIHI). A non-profit 501(c)(3) organization whose  
351 stated purpose is to reduce the impacts of hydropower generation through the  
352 certification of hydropower projects that have avoided or reduced their environmental  
353 impacts pursuant to the Low Impact Hydropower Institute's criteria.

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Manufactured Biomass Fuel. A biomass fuel that is prepared, other than by means of fuel drying, through a fuel processing facility that is separate from a Generation Unit and that utilizes Eligible Biomass Woody Fuel for production. Examples include, but are not limited to, the mechanical production of wood pellets or bio-dust, and the refinement of bio-oil through pyrolysis.

Marine or Hydrokinetic Energy. Electrical energy derived from waves, tides and currents in oceans, estuaries and tidal areas; free-flowing water in rivers, lakes, streams, and human-made channels, provided that such water is not diverted, impounded, or dammed; or differentials in ocean temperature, called ocean thermal energy conversion.

Massachusetts Clean Energy Technology Center (MassCEC). The center established in M.G.L. c. 23J, § 2.

Massachusetts Renewable Energy Trust. The Trust under M.G.L. c. 23J, § 9, which administers renewable energy programs for the Commonwealth.

MassDEP. The Massachusetts Department of Environmental Protection established by M.G.L. c. 21A, § 7.

Megawatt (MW). A unit of power equal to one million watts.

Megawatt-hour (MWh). A unit of electrical energy or work equivalent to one million watts of power operating for one hour, or, for the purpose of thermal energy, a unit of energy equal to 3,412,000 British Thermal Units (Btu).

Merchantable Bio-products. Products that are refined from a biomass fuel by a bio-refinery project in which the Generation Unit is integral. Products include but are not limited to merchantable chemicals such as additives, lubricants, or specialty chemicals, and other products which can be permanently sequestered for carbon reductions.

NEPOOL GIS. The NEPOOL Generation Information System, which includes a generation information database and certificate system, operated by the New England Power Pool (NEPOOL), its designee or successor entity, that accounts for Generation Attributes of electrical energy consumed and generated within, imported into, or exported from the ISO-NE Control Area.

Off-grid Generation. The electrical energy produced by a Generation Unit that is not connected to a utility transmission or distribution system.

398 Operator. Any person or entity that has charge or control of a Generation Unit subject  
399 to 225 CMR 14.00, including without limitation a duly authorized agent or lessee of  
400 the Owner, or a duly authorized independent contractor.

401  
402 Opt-In Term. The number of calendar quarters that a Solar Carve-out Renewable  
403 Generation Unit may generate Solar Carve-out Renewable Generation Attributes that  
404 are eligible to be deposited into the Solar Credit Clearinghouse Auction Account, as  
405 described in 225 CMR 14.05(4)(c) through (j).

406  
407 Owner. Any person or entity that, alone or in conjunction with others, has legal  
408 ownership, a leasehold interest, or effective control over the real property or property  
409 interest upon which a Generation Unit is located, or the airspace above said real  
410 property, including without limitation a duly authorized agent of the Owner. For the  
411 purposes of 225 CMR 14.02, Owner does not mean a person or entity holding legal  
412 title or security interest solely for the purpose of providing financing.

413  
414 Percent Under-compliance. The difference, if positive, between 50% and the reported  
415 lifecycle greenhouse gas emissions over 20 years as reported in a Biomass Unit  
416 Annual Compliance Report by an RPS Class I Renewable Generation Unit that utilizes  
417 Eligible Biomass Woody Fuel, as provided in 225 CMR 14.05(8)(d).

418  
419 Power Conversion Technology. The design, process, and equipment by which an  
420 energy resource is converted into useful energy, as specified in Guidelines.

421  
422 Relevant Hydroelectric Agency. A federal, state or provincial agency with oversight  
423 over fish and wildlife, water quality, river flows, fish passage and protection,  
424 mitigation and enhancement opportunities, related to a hydroelectric facility located  
425 in the Impacted Watershed or that impacts downstream or upstream passage of fish  
426 and wildlife.

427  
428 Renewable Generation. The electrical energy output of a Renewable Generation Unit.

429  
430 Renewable Generation Attribute. The Generation Attribute of the electrical energy  
431 output of a specific Generation Unit that derives from the Generation Unit's production  
432 of Renewable Generation.

433  
434 Renewable Generation Unit. A Generation Unit that uses an Eligible RPS Class I  
435 Renewable Fuel, Hydroelectric Energy, waste-to-energy that is a component of  
436 conventional municipal solid waste plant technology in commercial use, or any of the  
437 fuels, energy resources or technologies set forth in 225 CMR 14.05(1)(a).

438  
439 Retail Electricity Product. An electrical energy offering that is distinguished by its  
440 Generation Attributes and that is offered for sale by a Retail Electricity Supplier to  
441 End-use Customers.

442

443 Retail Electricity Supplier. A person or entity that sells electrical energy to End-use  
444 Customers in Massachusetts, including but not limited to Distribution Companies  
445 supplying basic service or any successor service to End-use Customers. A Municipal  
446 Lighting Plant shall be considered a Retail Electricity Supplier; however, it shall be  
447 exempt from the obligations of a Retail Electricity Supplier under 225 CMR 14.00 so  
448 long as and insofar as it is exempt from the requirements to allow competitive choice  
449 of generation supply pursuant to M.G.L. c. 164, § 47A.

451 RPS Class I Renewable Generation. The electrical energy output excluding any  
452 electrical energy utilized for parasitic load of a RPS Class I Renewable Generation  
453 Unit, or that portion of the electrical energy output excluding any electrical energy  
454 utilized for parasitic load of an RPS Class I Renewable Generation Unit that qualifies  
455 under:

- 456 (a) the Special Provisions for Incremental Generating Capacity, pursuant to 225  
457 CMR 14.05(2) issued on or after January 1, 2009;
- 458 (b) a Vintage Waiver, pursuant to 225 CMR 14.05(2) issued before January 1,  
459 2009;
- 460 (c) a Co-firing and Blended Fuel Waiver, pursuant to 225 CMR 14.05(3);
- 461 (d) the Special Provisions for a Generation Unit Located in a Control Area  
462 Adjacent to the ISO-NE Control Area, pursuant to 225 CMR 14.05(5); or
- 463 (e) any other applicable provision of 225 CMR 14.00.

465 RPS Class I Renewable Generation Attribute. The Generation Attribute of the  
466 electrical energy output of a specific RPS Class I Renewable Generation Unit that  
467 derives from the Generation Unit's production of RPS Class I Renewable Generation.

469 RPS Class I Renewable Generation Unit. A Generation Unit or Aggregation that has  
470 received a Statement of Qualification from the Department, including a Generation  
471 Unit or Aggregation termed a New Renewable Generation Unit in a Statement of  
472 Qualification issued by the Department pursuant to 225 CMR 14.00 before January 1,  
473 2009, but does not include Solar Carve-out Renewable Generation Units.

475 Solar Canopy. A solar photovoltaic Generation Unit with at least 75% of the nameplate  
476 capacity of the solar modules used for generating power installed on top of a parking  
477 surface or above a pedestrian walkway, so as to maintain the parking or pedestrian  
478 function of the surface.

480 Solar Carve-out Program Capacity Cap. The capacity, in MW, of Solar Carve-Out  
481 Renewable Generation Units qualified by the Department through June 30, 2014, and  
482 as announced on its website by the Department no later than July 31, 2014.

484 Solar Carve-out II Program Capacity Cap. The aggregate eligible capacity, in MW, of  
485 Solar Carve-out II Renewable Generation Units qualified by the Department upon the  
486 establishment of a new incentive program, minus the Solar Carve-out Program  
487 Capacity Cap.

488

489 Solar Carve-out Renewable Generation. The electrical output of a Solar Carve-out  
490 Renewable Generation Unit that qualifies for the Solar Carve-out under 225 CMR  
491 14.05(4), excluding any electrical energy utilized for parasitic load.

492  
493 Solar Carve-out II Renewable Generation. The electrical output of a Solar Carve-out  
494 II Renewable Generation Unit that qualifies for the Solar Carve-out II under 225 CMR  
495 14.05(9), excluding any electrical energy utilized for parasitic load.

496  
497 Solar Carve-out Renewable Generation Attribute. The Generation Attribute of the  
498 electrical energy output of a specific Solar Carve-out Renewable Generation Unit that  
499 derives from the Generation Unit's production of Solar Carve-out Renewable  
500 Generation.

501  
502 Solar Carve-out II Renewable Generation Attribute. The Generation Attribute of the  
503 electrical energy output of a specific Solar Carve-out II Renewable Generation Unit  
504 that derives from the Generation Unit's production of Solar Carve-out II Renewable  
505 Generation.

506  
507 Solar Carve-out Renewable Generation Unit. A Generation Unit or Aggregation that  
508 has received a Statement of Qualification from the Department that specifies its  
509 qualification for participation in the Solar Carve-out under 225 CMR 14.05(4).

510  
511 Solar Carve-out II Renewable Generation Unit. A Generation Unit or Aggregation that  
512 has received a Statement of Qualification from the Department that specifies its  
513 qualification for participation in the Solar Carve-out II under 225 CMR 14.05(9).

514  
515 Solar Renewable Energy Certificate II (SREC II). A GIS Certificate that represents  
516 the RPS Class I Renewable Generation Attributes and Solar Carve-out II Renewable  
517 Generation Attributes of the Renewable Generation from a Solar Carve-out II  
518 Renewable Generation Unit.

519  
520 Statement of Qualification. A written document from the Department that qualifies a  
521 Generation Unit or Aggregation as an RPS Class I Qualified Generation Unit, a Solar  
522 Carve-out Renewable Generation Unit, or a Solar Carve-out II Renewable Generation  
523 Unit, or that qualifies a portion of the annual electrical energy output of a Generation  
524 Unit or Aggregation as RPS Class I Renewable Generation Solar Carve-out  
525 Renewable Generation, or Solar Carve-out II Renewable Generation.

526  
527 Useful Thermal Energy. Energy: (a) in the form of direct heat, steam, hot water, or  
528 other thermal form that is used in production and beneficial measures for heating,  
529 cooling, humidity control, process use, or other valid thermal end use energy  
530 requirements; and (b) for which fuel or electricity would otherwise be consumed.  
531 Thermal energy used for the purpose of drying or refining biomass fuel shall not be  
532 considered Useful Thermal Energy.

533



534 Valid Air Permit. Within the United States, a current and effective authorization,  
535 license, certificate, or like approval to construct and/or operate a source of air  
536 pollution, issued or required by the regulatory agency designated in the applicable  
537 State Implementation Plan to issue permits under the Clean Air Act, 42 U.S.C. §§  
538 7401, *et seq.* In jurisdictions outside of the United States, it shall be a document  
539 demonstrating an equivalent authorization.

540  
541 Vintage Generation. The electrical energy output of a Vintage Generation Unit during  
542 the period of the Generation Unit's Historical Generation Rate.

543  
544 Vintage Generation Unit. A Generation Unit that meets the requirements of 225 CMR  
545 14.05(1), that has a Commercial Operation Date of December 31, 1997, or earlier, and  
546 for which the Department issued a Statement of Qualification under the Vintage  
547 Waiver provision in 225 CMR 14.05(2) before January 1, 2009.

548  
549 14.03: Administration

550  
551 225 CMR 14.00 shall be administered by the Department.

552  
553 14.04: Applicability

554  
555 225 CMR 14.00 applies to Retail Electricity Suppliers and to the Owners or  
556 Operators of RPS Class I Renewable Generation Units, Solar Carve-out Renewable  
557 Generation Units, and Solar Carve-out II Renewable Generation Units.

558  
559 14.05: Eligibility Criteria for RPS Class I, Solar Carve-out Renewable Generation Units, and Solar  
560 Carve-out II Renewable Generation Units

561  
562 (1) Eligibility Criteria. A Generation Unit may qualify as an RPS Class I Renewable  
563 Generation Unit, a Solar Carve-out Renewable Generation Unit, or Solar Carve-out II  
564 Renewable Generation Unit subject to the limitations in 225 CMR 14.05.

565  
566 (a) Fuels, Energy Resources and Technologies. The Generation Unit shall use one  
567 or more of the fuels, energy resources and/or technologies listed in 225 CMR  
568 14.05(1)(a)1. through 9.

569  
570 1. Solar photovoltaic or solar thermal electric energy.

571  
572 2. Wind energy.

573  
574 3. Ocean thermal, wave or tidal energy.

575  
576 4. Fuel cells using an Eligible RPS Class I Renewable Fuel.

577  
578 5. Landfill methane gas, provided that such gas is either conveyed directly to  
579 the Generation Unit without the use of facilities used as common carriers of

580 natural gas, or transported to a Generation Unit within the ISO-NE Control  
581 Area or an adjacent Control Area via a common carrier of natural gas, in which  
582 instance the gas would be subject to the following provisions:  
583

584 a. the gas is produced entirely within the ISO-NE Control Area or an  
585 adjacent Control Area;

586  
587 b. documentation is provided, satisfactory to the Department, regarding the  
588 gas transportation and related contracts; and

589  
590 c. demonstration is provided, satisfactory to the Department, that the gas  
591 can be physically delivered to the Generation Unit.  
592

593 6. Hydroelectric. An Generation Unit that uses Hydroelectric Energy may  
594 qualify as an RPS Class I Generation Unit, subject to the limitations in 225  
595 CMR 14.05(1)(a)6.  
596

597 a. The Generation Unit has a nameplate capacity up to 30 megawatts, or  
598 increased capacity installed or efficiency improvements implemented after  
599 December 31, 1997, the aggregate of which increased capacity or  
600 efficiency improvements does not exceed 30 megawatts.  
601

602 b. The Generation Unit does not involve any dam or water diversion  
603 structure constructed after December 31, 1997, or pumped storage of  
604 water.  
605

606 c. The Generation Unit does not generate Marine or Hydrokinetic Energy.  
607

608 d. The Generation Unit meets appropriate and site-specific standards that  
609 address adequate and healthy river flows, water quality standards, fish  
610 passage and protection measures and mitigation and enhancement  
611 opportunities in the Impacted Watershed, as determined by the Department  
612 in consultation with Relevant Hydroelectric Agencies. The Generation  
613 Unit shall demonstrate compliance with such standards by submitting the  
614 documentation required in either 225 CMR 14.05(1)(a)6.d.i or ii.  
615

616 i. LIHI Certification of the Generation Unit; except that in either of the  
617 two circumstances provided in 225 CMR 14.05(1)(a)6.d.i, the  
618 Department may request further information from the applicant and the  
619 Relevant Hydroelectric Agencies as part of its review of the applicant's  
620 Statement of Qualification Application. The Department shall notify  
621 the applicant of any such input from a Relevant Hydroelectric Agency  
622 not later than 30 days after receiving such input and shall provide the  
623 applicant an opportunity to respond to the Department not later than 30  
624 days after the applicant's receipt of such notice from the Department.  
625

626 (i). If a Relevant Hydroelectric Agency identified an environmental  
627 concern and a proposed remedy to LIHI during the LIHI  
628 certification process, and such concern was not addressed in the  
629 LIHI certification to the satisfaction of the Agency, and the Agency  
630 consulted with the Owner or Operator of the Generation Unit; or  
631

632 (ii). If, between issuance of the LIHI certification and the  
633 Department's determination of the Generation Unit's eligibility, a  
634 Relevant Hydroelectric Agency submits to the Department  
635 evidence of a significant environmental problem not previously  
636 known by such Agency, after consulting with the Owner or  
637 Operator of the Generation Unit.  
638

639 ii. A denial of certification from LIHI specifying the reasons the  
640 certification was denied and the applicant's proposed rationale for why  
641 the project should nevertheless receive a Statement of Qualification. In  
642 this instance, the Department shall notify and seek input from the  
643 Relevant Hydroelectric Agencies, which shall have 30 days from the  
644 date of their receipt of such notification to provide feedback to the  
645 Department. The Owner or Operator of the Generation Unit shall be  
646 notified of any such input and shall have 30 days from receipt of such  
647 notice to respond to the satisfaction of the Department as to why its  
648 Application should be approved. The Department thereafter shall make  
649 finding of whether the Generation Unit meets appropriate  
650 environmental safeguards despite the lack of LIHI certification.  
651

652 e. The Owner or Operator of the Generation Unit must serve notice to all  
653 Relevant Hydroelectric Agencies of its application for LIHI certification.  
654 The Owner or Operator of the Generation Unit also must serve notice to  
655 all Relevant Hydroelectric Agencies, and provide opportunity for comment  
656 within 30 days of such notice, with regard to its submission of a Statement  
657 of Qualification Application. Notice of such service must be provided to  
658 the Department.  
659

660 f. If LIHI fails to act to certify or deny certification within 180 days from  
661 the date of submission of the Generation Unit's application to LIHI, the  
662 Owner or Operator shall file notice of such event with the Department. The  
663 Department shall review the federal, state or provincial permits for the  
664 Generation Unit and any submissions to LIHI by Relevant Hydroelectric  
665 Agencies, and shall make a final determination as to whether the  
666 Generation Unit meets environmental standards specified in 225 CMR  
667 14.05(1)(a)6.d.  
668

669 g. If LIHI is unable to review for certification a Generation Unit that is  
670 located in a Control Area adjacent to the ISO-NE Control Area and outside  
671 the United States of America, the Owner or Operator of such Generation

672 Unit may petition the Department for certification using the LIHI standards  
673 by an independent third party acceptable to the Department.  
674

675 7. Low-emission, Advanced Biomass Power Conversion Technologies Using  
676 an Eligible Biomass Fuel. A Generation Unit may qualify as an RPS Class I  
677 Renewable Generation Unit, provided it uses an Eligible Biomass Fuel, subject  
678 to the limitations in 225 CMR 14.05(1)(a)7.  
679

680 a. The Department shall set forth in Guidelines low-emission eligibility  
681 criteria which will become effective on their date of issuance. Any  
682 emission eligibility criteria in subsequently revised Guidelines shall  
683 become effective 24 months from their date of issuance.  
684

685 b. A Generation Unit with a Commercial Operation Date after December  
686 31, 1997, that is required to obtain an air permit in its jurisdiction, must  
687 possess a Valid Air Permit and must demonstrate to the satisfaction of the  
688 Department that the emission rates of the Unit do not exceed limits set forth  
689 in the Guidelines that are applicable for the date on which the Department  
690 receives the Unit's Statement of Qualification Application.  
691

692 c. A Generation Unit with a Vintage Waiver that is required to obtain an  
693 air permit in its jurisdiction must possess a Valid Air Permit and must  
694 demonstrate to the satisfaction of the Department that the emission rates of  
695 the Unit do not exceed limits set forth in the Guidelines that are applicable  
696 for the date on which the Department receives the Unit's Statement of  
697 Qualification Application.  
698

699 d. A Generation Unit that is not required to obtain an air permit in its  
700 jurisdiction must demonstrate to the satisfaction of the Department that its  
701 emissions are consistent with criteria set forth in the Guidelines that are  
702 applicable for the date on which the Department receives the Unit's  
703 Statement of Qualification Application.  
704

705 e. In the case of a Generation Unit for whose size, type, or fuel the  
706 Guidelines do not provide applicable emission limits, the Department will  
707 determine appropriate limits in consultation with the MassDEP.  
708

709 f. A Generation Unit, that uses an Eligible Biomass Woody Fuel, Co-  
710 mingled Biomass Woody Fuel, or a Manufactured Biomass Fuel, must  
711 provide to the Department as part of their Statement of Qualification  
712 Application the following items.  
713

714 i. A fuel supply plan indicating the anticipated fuel types, sources, and  
715 amounts.

716 Not later than January 1<sup>st</sup>, the Unit shall provide on an annual basis a  
717 report of the anticipated fuel supply for that Compliance Year.

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ii. A design and operational plan that demonstrates that the Unit will achieve an Overall Efficiency, as calculated in 225 CMR 14.05(8)(c)2. through 4., of at least 50% on a quarterly basis, or 40% on a quarterly basis for Advancement of Biomass Conversion Generation Units.

iii. An analysis of net Lifecycle Greenhouse Gas Emissions, that demonstrates, to the satisfaction of the Department, that such emissions, over a 20 year life cycle, yield at least a 50% reduction of greenhouse gas emissions per unit of useful energy relative to the Lifecycle Greenhouse Gas Emissions from the aggregate use of the operation of a new combined cycle natural gas electric generating facility using the most efficient commercially available technology as of the date of the Statement of Qualification Application for the portion of electricity delivered by the Generation Unit and, if applicable, the operation of the fossil fuel fired thermal energy unit being displaced, or in the case of new Useful Thermal Energy, a gas-fired thermal energy unit using the most efficient commercially available technology as of the date of Statement of Qualification Application for the portion of the Useful Thermal Energy delivered by the Generation Unit. The Department shall provide in the *Overall Efficiency and Greenhouse Gas Analysis Guideline* as part of the Statement of Qualification Application a standard analytical methodology to meet this requirement, including a full accounting of greenhouse gas emissions associated with any fuel processing.

g. In the case of a Generation Unit that uses anaerobic digester gas or another biogas that is an Eligible Biomass Fuel, such gas may be either conveyed directly to the Generation Unit without the use of facilities used as common carriers of natural gas, or transported to a Generation Unit within the ISO-NE Control Area or an adjacent Control Area via a common carrier of natural gas, in which instance the gas would be subject to the following provisions:

- i. the gas is produced entirely within the ISO-NE Control Area or an adjacent Control Area;
- ii. documentation is provided, satisfactory to the Department, regarding the gas transportation and related contracts; and
- iii. demonstration is provided, satisfactory to the Department, that the gas can be physically delivered to the Generation Unit.

8. Marine or hydrokinetic energy.

9. Geothermal energy.

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(b) Commercial Operation Date. The Commercial Operation Date shall be after December 31, 1997, unless the Generation Unit received a Statement of Qualification with a Vintage Waiver prior to January 1, 2009. In the case of a Solar Carve-out Renewable Generation Unit, the Commercial Operation Date shall be after December 31, 2007. In the case of a Solar Carve-out II Renewable Generation Unit, the Commercial Operation Date shall be after December 31, 2012.

(c) Metering. The electrical energy output from a Generation Unit shall be verified by the ISO-NE or by an independent verification system or person participating in the NEPOOL GIS accounting system as an independent Third Party Meter Reader, as defined in Rule 2.5(j) of the NEPOOL GIS Operating Rules, or any successor rule, and approved by the Department.

(d) Location. The Generation Unit location is subject to the limitations in 225 CMR 14.05(1)(d).

1. Off-grid Generation. If the Generation Unit produces Off-grid Generation, such Generation Unit must be located in Massachusetts.

2. Behind-the-meter Generation. If the Generation Unit is wired to the electrical system on the End-use Customer's side of a retail electric meter, such Generation Unit must be located within the ISO-NE Control Area.

(2) Special Provisions for Incremental Generation. An increase in electrical energy output of a Generation Unit with a Commercial Operation Date on or before December 31, 1997, may qualify as RPS Class I Renewable Generation, subject to the limitations in CMR 14.05(2).

(a) The Generation Unit must meet the eligibility requirements of 225 CMR 14.05 with the exception of 225 CMR 14.05(1)(b).

(b) The portion of the total electrical energy output of the Generation Unit that qualifies as RPS Class I Renewable Generation in a given calendar year shall be the portion attributable to incremental new generating capacity or efficiency improvements installed or implemented after December 31, 1997, using equipment that was not utilized in any Renewable Generation Unit within the ISO-NE Control Area or within Control Areas adjacent thereto on or before December 31, 1997.

(c) The portion of the electrical energy output of a Generation Unit that does not qualify as RPS Class I Renewable Generation under the provisions of 225 CMR 14.05(2)(c) or under a Statement of Qualification granted to a Vintage Generation Unit prior to January 1, 2009, may qualify as RPS Class II Renewable Generation

809 if it applies for and meets the eligibility standards of the RPS Class II Regulations  
810 set forth in 225 CMR 15.00: *Renewable Energy Portfolio Standard – Class II*.

811  
812 (d) The portion of electrical energy output of a Generation Unit that replaces the  
813 output of an RPS Class I Renewable Generation Unit qualified under 225 CMR  
814 14.05(1)(a)5. at the same location, or proximate thereto, and utilizes the fuel  
815 resource of that location, shall not be qualified as Incremental Generation, unless  
816 a Generation Unit meets the requirements of 225 CMR 14.05(7)(d).

817  
818 (3) Co-firing and Blended Fuel Waiver. All or a portion of the electrical energy output  
819 of a Generation Unit that uses ineligible fuel in conjunction with an Eligible RPS Class  
820 I Renewable Fuel, whether by co-firing such fuels or by using a Blended Fuel, may  
821 qualify as RPS Class I Renewable Generation provided the Generation Unit meets the  
822 eligibility requirements of 225 CMR 14.05, subject to the limitations in 225 CMR  
823 14.05(3).

824  
825 (a) The portion of the total electrical energy output that qualifies as RPS Class I  
826 Renewable Generation in a given time period shall be equal to the ratio of the net  
827 heat content of the Eligible RPS Class I Renewable Fuel consumed to the net heat  
828 content of all fuel consumed in that time period.

829  
830 (b) If using a Co-mingled Biomass Woody Fuel, such fuel shall be considered an  
831 ineligible fuel unless such fuel is accompanied by Biomass Fuel Certificates as  
832 provided in 225 CMR 14.05(8)(a)2.b.

833  
834 (c) If using a Blended Fuel of which the eligible portion is an Eligible Biomass  
835 Fuel or if co-firing an ineligible fuel with an Eligible Biomass Fuel, the entire  
836 Generation Unit must meet the requirements of an advanced biomass Power  
837 Conversion Technology as set forth in 225 CMR 14.05(1)(a)7.

838  
839 (d) If using an Eligible Biomass Fuel, the Generation Unit must demonstrate to the  
840 satisfaction of the Department that the emission rates for the entire Generation  
841 Unit are consistent with rates prescribed by the MassDEP for comparably fueled  
842 Generation Units in the Commonwealth. The Department may require the  
843 Generation Unit Owner or Operator to retain at its own expense a third-party  
844 consultant deemed satisfactory to the Department, to provide the Department and  
845 the MassDEP with assistance in this determination.

846  
847 (e) The Generation Unit must provide with its Statement of Qualification  
848 Application a fuel supply plan that specifies each and every fuel that it intends to  
849 use, in what relative proportions either in co-firing or in a Blended Fuel, and with  
850 what individual input heat values. Such plan shall include the procedures by which  
851 the Unit will document to the satisfaction of the Department its compliance with  
852 the plan.

853

854 (f) The provisions of 225 CMR 14.05(3) shall not apply to the incidental use of  
855 ineligible fuels for the purpose of cold starting a Generation Unit that otherwise  
856 exclusively uses an Eligible RPS Class I Renewable Fuel.  
857

858 (4) Special Provisions for a Solar Carve-out Generation Unit. All references to kW or  
859 MW in 225 CMR 14.05(4) shall be measured on a nameplate capacity basis in direct  
860 current (DC).  
861

862 (a) The Solar Carve-out Renewable Generation Unit must use solar photovoltaic  
863 technology, be used on-site, located in the Commonwealth of Massachusetts, and  
864 be interconnected with the electric grid. On-site use includes any new or existing  
865 load located at the site of the Generation Unit including any parasitic load that may  
866 result from the installation of the Generation Unit, and that is wired to receive a  
867 portion of the electrical energy output from the Generation Unit before the balance  
868 of such output passes through the Generation Unit's metered interconnection onto  
869 the electric grid. The maximum capacity of a Generation Unit shall be 6 MW, as  
870 measured on a nameplate capacity basis in direct current and shall be determined  
871 based on the total capacity located on a single parcel of land. For any parcel of  
872 land for which a Solar Carve-out Generation Unit has submitted a Statement of  
873 Qualification Application, if its current boundaries are the result of a subdivision  
874 recorded after January 1, 2010, the Owner or Operator shall make a demonstration  
875 to the Department that the subdivision was not for the purpose of eligibility in the  
876 Solar Carve-out Program. If the Department is not satisfied by such showing, the  
877 6 MW limit shall apply to the metes and bounds of the parcel as recorded prior to  
878 the subdivision. Any subsequent additional solar photovoltaic Generation Units  
879 that would result in excess of 6 MW of capacity installed on the same parcel of  
880 land and meeting all other requirements under 225 CMR 14.00 may qualify only  
881 for RPS Class I Renewable Generation Attributes.  
882

883 (b) If the construction and installation of a Generation Unit was funded through a  
884 program administered prior to January 1, 2010, by the Massachusetts Renewable  
885 Energy Trust, or if the Generation Unit was funded substantially from American  
886 Recovery and Reinvestment Act, P.L. 111-5 (ARRA) for the installation of that  
887 Generation Unit, the Generation Unit shall not be eligible to participate in the Solar  
888 Carve-out. Substantial shall mean for this purpose more than 67% of total installed  
889 cost. Notwithstanding 225 CMR 14.05(4)(b), if the substantial funding that a  
890 Generation Unit receives is from a payment in *lieu* of tax credit under § 1603 of  
891 ARRA, the Generation Unit shall be eligible for Solar Carve-out Renewable  
892 Generation Attributes.  
893

894 (c) Any entity that owns Solar Carve-out Renewable Generation Attributes is  
895 eligible to make deposits into the Solar Credit Clearinghouse Auction provided the  
896 Attributes deposited into the Auction were generated during the Opt-in Term  
897 specified in the Statement of Qualification of the Generation Unit. The Department  
898 or its agent shall maintain an account, known as Solar Credit Clearinghouse  
899 Auction Account on the NEPOOL GIS into which Solar Carve-out Renewable



900 Generation Attributes may be deposited. The Solar Credit Clearinghouse Auction  
901 Account shall be available for deposit of Attributes only from May 16 to June 15.  
902

903 (d) An entity that opts to deposit Solar Carve-out Generation Renewable Attributes  
904 into the Solar Credit Clearinghouse Auction Account shall be assessed, at the  
905 completion of the auction, a usage fee of 5% of the auction price for each such  
906 Attribute deposited into Solar Credit Clearinghouse Auction Account. This usage  
907 fee shall be deposited into the Alternative Compliance Payment fund under 225  
908 CMR 14.08(3). This usage fee will not apply to Attributes that remain unsold  
909 following the final round of the Solar Credit Clearinghouse Auction as provided  
910 in 225 CMR 14.05(4)(i).  
911

912 (e) Those Attributes deposited into Solar Credit Clearinghouse Auction Account  
913 shall then be retired and reissued by NEPOOL GIS as Re-minted Auction Account  
914 Attributes. These Attributes shall be eligible in either of the two subsequent  
915 Compliance Years from the year in which they were generated to meet obligations  
916 under the Massachusetts Solar Carve-out Minimum Standard. The Department or  
917 its agent shall conduct an auction for those Attributes. Any entity wishing to  
918 purchase Re-minted Auction Account Attributes may participate and enter a bid.  
919 Each bid shall be for the number of Re-minted Auction Account Attributes that  
920 the bidder wishes to purchase at a fixed price of \$300 per Re-minted Auction  
921 Account Attribute.  
922

923 (f) The Solar Credit Clearinghouse Auction shall be held not later than July 31. If  
924 the Auction clears, meaning that the total number of Re-minted Auction Account  
925 Attributes bid for in the auction was equal to or more than the number of Solar  
926 Carve-out Renewable Generation Attributes deposited, then the total amount of  
927 deposited Attributes will be distributed to the bidders in a pro-rated manner such  
928 that each bidder receives the same percentage of their bid volume. If the auction  
929 does not clear, meaning that the total number of Re-minted Auction Account  
930 Attributes bid for in the auction was less than the number of Solar Carve-out  
931 Renewable Generation Attributes deposited, the Department or its agent shall void  
932 the auction.  
933

934 (g) If the auction under 225 CMR 14.05(4)(f) does not clear, the Department shall  
935 conduct a new auction within three Business Days, in which any Attributes  
936 purchased shall be eligible in any of the three subsequent Compliance Years from  
937 the year in which they were generated to meet obligations under the Massachusetts  
938 Solar Carve-out Minimum Standard. If the auction does not clear, the Department  
939 or its agent shall void the auction.  
940

941 (h) If the auction under 225 CMR 14.05(4)(g) does not clear, the Department or  
942 its agent shall conduct another auction within three Business Days, at which point  
943 the Attributes shall be eligible in any of the three subsequent Compliance Years  
944 from the year in which they were generated to meet obligations under the  
945 Massachusetts Solar Carve-out Minimum Standard. Prior to this Auction, the

946 Department shall also re-calculate the Massachusetts Solar Carve-out Minimum  
947 Standard under 225 CMR 14.07(2).  
948

949 (i) If the auction under 225 CMR 14.05(4)(h) does not clear, the Re-minted  
950 Auction Account Attributes deposited in the Solar Credit Clearinghouse Auction  
951 Account shall be allocated to the bidders in a pro-rated manner so that an equal  
952 percentage of Re-minted Auction Account Attributes are allocated from each  
953 Generation Unit that deposited Solar Carve-out Renewable Generation Attributes.  
954 The remaining Re-minted Auction Account Attributes shall be returned to the  
955 entity that made the deposit. These Attributes shall be eligible in any of the three  
956 subsequent Compliance Years from the year in which they were generated to meet  
957 obligations under the Massachusetts Solar Carve-out Minimum Standard.  
958

959 (j) Re-minted Auction Account Attributes may not be placed into the Solar Credit  
960 Clearinghouse Auction Account in subsequent years.  
961

962 (k) Within two weeks from June 28, 2013, the Department shall establish and  
963 provide on its website a list of all projects that are within the 400 MW capacity  
964 limit and the set of Generation Units that are outside of the 400 MW capacity limit.  
965 The Department shall provide Statement of Qualifications to all Generation Units  
966 with Statement of Qualification Applications as follows, provided such Generation  
967 Units meet all other eligibility criterion of 225 CMR 14.00.  
968

969 1. A Generation Unit greater than 100 kW that has received a Statement of  
970 Qualification or has submitted a Statement of Qualification Application that is  
971 within the 400 MW capacity limit shall be provided a Statement of  
972 Qualification only if the Generation Unit meets the project construction  
973 timelines prescribed in 225 CMR 14.05(4)(k)4. Notwithstanding 225 CMR  
974 14.06(4), the RPS Effective Date of the Generation Unit shall be no later than  
975 December 31, 2013, regardless of when the Unit's Commercial Operation Date  
976 occurs.  
977

978 2. A Generation Unit greater than 100 kW that has submitted a Statement of  
979 Qualification Application that is outside the 400 MW capacity limit shall be  
980 provided a Statement of Qualification only if the Generation Unit is authorized  
981 to interconnect by its local Distribution Company on or before June 28, 2013  
982 or has received an interconnection service agreement from its local  
983 Distribution Company that is fully executed by both the interconnecting  
984 customer and the Distribution Company and dated on or before June 7, 2013,  
985 and meets the project construction timelines prescribed in 225 CMR  
986 14.05(4)(k)4. The Generation Unit shall have one week after June 28, 2013 to  
987 provide the Department with a copy of the executed Interconnection Service  
988 Agreement or its Statement of Qualification Application will be rejected.  
989 Notwithstanding 225 CMR 14.06(4), the RPS Effective Date of the Generation  
990 Unit shall be no later than December 31, 2013, regardless of when the  
991 Generation Unit's Commercial Operation Date occurs.

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3. A Generation Unit that has a rated capacity equal to or less than 100 kW, or has qualified as a Community Solar Project by the MassCEC under its Commonwealth Solar II Rebate Program, which has received its authorization to interconnect or permission to operate from its local Distribution Company by the effective date of a new solar carve-out program established by the Department, or by June 30, 2014, whichever is earlier, and has submitted a Statement of Qualification Application shall be provided a Statement of Qualification. Notwithstanding 225 CMR 14.06(4), the RPS Effective Date of the Generation Unit shall be no later than December 31, 2013, regardless of when the Generation Unit's Commercial Operation Date occurs. For the purpose of 225 CMR 14.05(4)(k)3., the Generation Unit's capacity shall be measured as the total capacity of qualified Solar Carve-out Renewable Generation on a single parcel of land or on a roof of a single building, whichever is less.

4. A Generation Unit greater than 100 kW must meet the following construction timelines to receive a Statement of Qualification.

a. A Generation Unit must receive its authorization to interconnect or permission to operate from its local Distribution Company on or before December 31, 2013.

b. A Generation Unit that has not received an authorization to interconnect or permission to operate on or before December 31, 2013 will be provided an extension to June 30, 2014 only if it can demonstrate to the satisfaction of the Department that the project has expended at least 50% of its total construction costs by December 31, 2013. A Generation Unit provided such an extension must receive its authorization to interconnect or permission to operate on or before June 30, 2014.

c. If a Generation Unit can demonstrate to the Department's satisfaction that either of these two timelines have been met, but that interconnection depends only on the receipt of notice of authorization to interconnect or its permission to operate, and such receipt is delayed only by the local Distribution Company or due to remaining steps required by other parties for safe and reliable interconnection, then the Generation Unit will be provided an extension until the authorization to interconnect or permission to operate is received.

5. Any Solar Carve-out Renewable Generation Unit that has submitted a Statement of Qualification Application or received a Statement of Qualification as of June 28, 2013 will not be eligible to generate Solar Carve-out Renewable Generation Attributes for incremental new generating capacity that is in excess of the capacity that was applied for in its Statement of Qualification Application.

1038  
1039 (5) Special Provisions for a Generation Unit Located in a Control Area Adjacent to  
1040 the ISO-NE Control Area. The portion of the total electrical energy output of an RPS  
1041 Class I Renewable Generation Unit located in a Control Area adjacent to the ISO-NE  
1042 Control Area that qualifies as RPS Class I Renewable Generation shall meet the  
1043 requirements in Rule 2.7(c) and all other relevant sections of the NEPOOL GIS  
1044 Operating Rules, and the requirements in 225 CMR 14.05(5).  
1045

1046 (a) The Generation Unit Owner or Operator shall provide documentation,  
1047 satisfactory to the Department that the RPS Class I Renewable Generation  
1048 Attributes have not otherwise been, nor will be, sold, retired, claimed, used or  
1049 represented as part of electrical energy output or sales, or used to satisfy  
1050 obligations in jurisdictions other than Massachusetts.  
1051

1052 (b) The Generation Unit Owner or Operator must provide an attestation in a form  
1053 to be provided by the Department that it will not itself or through any affiliate or  
1054 other contracted party, knowingly engage in the process of importing RPS Class I  
1055 Renewable Generation into the ISO-NE Control Area for the creation of RPS Class  
1056 I Renewable GIS Certificates, and then exporting that energy or a similar quantity  
1057 of other energy out of the ISO-NE Control Area during the same hour.  
1058

1059 (c) The quantity of electrical energy output from an RPS Class I Renewable  
1060 Generation Unit outside the ISO-NE Control Area that can qualify as RPS Class I  
1061 Renewable Generation at the NEPOOL GIS during each hour is limited to the  
1062 lesser of the RPS Class I Renewable Generation actually produced by the  
1063 Generation Unit or the RPS Class I Renewable Generation actually scheduled and  
1064 delivered into the ISO-NE Control Area.  
1065

1066 (6) Special Provisions for Aggregations. An Aggregation of Generation Units that are  
1067 located behind the customer meter or that are Off-grid Generation Units, each of which  
1068 could independently meet the relevant requirements of 225 CMR 14.05, may receive  
1069 a single Statement of Qualification and be treated as a single RPS Class I Renewable  
1070 Generation Unit, Solar Carve-out Renewable Generation Unit, or Solar Carve-out II  
1071 Renewable Generation Unit under the criteria and procedures in 225 CMR 14.05(6).  
1072

1073 (a) Each Generation Unit in such Aggregation must be located within the same  
1074 state and use the same fuel, energy resource and technology as all other Generation  
1075 Units in the Aggregation. In the instance of an Aggregation that includes a Solar  
1076 Carve-out Renewable Generation Unit, the Aggregation shall only include  
1077 Generation Units that are eligible for the Solar Carve-out under 225 CMR  
1078 14.05(4). In the instance of an Aggregation that includes a Solar Carve-out II  
1079 Renewable Generation Unit, the Aggregation shall only include Generation Units  
1080 that are eligible for the Solar Carve-out II under 225 CMR 14.05(9).  
1081

1082 (b) Each of the Owners or Operators of Generation Units within the Aggregation  
1083 must enter into an agreement with a person or entity that serves as the Authorized

1084 Agent for the Aggregation in all dealings with the Department and with the  
1085 NEPOOL GIS, and such agreement must include procedures by which the  
1086 electrical energy output of each Generation Unit shall be monitored and reported  
1087 to the NEPOOL GIS.

1088  
1089 (c) The Authorized Agent of the Aggregation must establish and maintain a  
1090 Generator account at the NEPOOL GIS under the NEPOOL GIS Operating Rules,  
1091 including all provisions for Non-NEPOOL Generator Representatives, as that term  
1092 is defined in Rule 2.1(a)(vi).

1093  
1094 (d) The electrical energy output of each of the Generation Units in the Aggregation  
1095 must be individually monitored and recorded, and it must be reported to the  
1096 NEPOOL GIS, by an independent Third Party Meter Reader as defined in Rule  
1097 2.5(j) of the NEPOOL GIS Operating Rules, and approved by the Department.

1098  
1099 (7) Special Provisions for Relocated, Repowered, and Replacement Generation Units.  
1100 The Department may provide a Statement of Qualification to a Generation Unit that  
1101 meets one of the following categories and criteria, as well as all other relevant  
1102 provisions of 225 CMR 14.05:

1103  
1104 (a) Relocated RPS Class I Renewable Generation Unit. A Generation Unit whose  
1105 Power Conversion Technology was used on or before December 31, 1997, to  
1106 generate electrical energy outside of both the ISO-NE Control Area and Control  
1107 Areas adjacent thereto, and that is relocated into one of said Control Areas after  
1108 December 31, 1997, provided that any components of the Power Conversion  
1109 Technology that were not used outside of said Control Areas were first used in a  
1110 Generation Unit after December 31, 1997.

1111  
1112 (b) Repowered RPS Class I Renewable Generation Unit. A Generation Unit that  
1113 did not utilize an Eligible RPS Class I Renewable Fuel at any time on or before  
1114 December 31, 1997.

1115  
1116 (c) Replacement RPS Class I Renewable Generation Unit. A Generation Unit that  
1117 replaces a mothballed or decommissioned Generation Unit that had operated on  
1118 the same site on or before December 31, 1997, provided the entire Power  
1119 Conversion Technology of the existing Generation Unit is replaced with  
1120 equipment manufactured after December 31, 1997.

1121  
1122  
1123  
1124 (8) Special Provisions for Generation Units Using Eligible Biomass Woody Fuels, Co-  
1125 mingled Biomass Woody Fuels, or Manufactured Biomass Fuels.

1126  
1127 (a) Eligible Biomass Woody Fuel or Manufactured Biomass Fuel Certification,  
1128 Verification, and Enforcement. An Owner, Operator, or Authorized Agent of a

1129 Generation Unit that uses an Eligible Biomass Woody Fuel or a Manufactured  
1130 Biomass Fuel must meet the following provisions.  
1131

1132 1. Over each Compliance Year, the tonnage of all Eligible Biomass Woody  
1133 Fuel input to the Generation Unit shall be documented, in a Biomass Unit  
1134 Annual Compliance Report provided in 225 CMR 14.05(8)(d), by ownership  
1135 by the Owner or Operator of the Generation Unit of Biomass Fuel Certificates  
1136 equal to the tonnage input. For Manufactured Biomass Fuel, the Biomass Fuel  
1137 Certificates shall be for the required tonnage of Eligible Biomass Woody Fuel  
1138 necessary for the production of the delivered volume of Manufactured  
1139 Biomass Fuel.  
1140

1141 2. Biomass Fuel Certificates shall be originated, procured, and transacted in  
1142 accordance with the Biomass Eligibility and Certificate Guideline and shall be  
1143 limited to the follow Certificates:  
1144

1145 a. Biomass Fuel Certificates that accompany the shipment of Eligible  
1146 Biomass Woody Fuel from its original source and which is delivered  
1147 directly to a RPS Class I Renewable Generation Unit , and which has not  
1148 been modified or mixed with other fuels or materials.  
1149

1150 b. Biomass Fuel Certificates that accompany the shipment of Eligible  
1151 Biomass Woody Fuel from its original source and which is delivered  
1152 directly to a retailer of Eligible Biomass Woody Fuel, and whereby said  
1153 Biomass Fuel Certificates subsequently accompanies a shipment of Co-  
1154 mingled Biomass Woody Fuel, of an equal tonnage represented by said  
1155 Biomass Fuel Certificates, which is delivered by the same retailer  
1156 directly to a RPS Class I Renewable Generation Unit.  
1157

1158 c. Biomass Fuel Certificates obtained by and transacted between the  
1159 Owners, Operators, or Authorized Agents of Generation Units that have  
1160 received Statements of Qualification from the Department under 225  
1161 CMR 14.00, 225 CMR 15.00: *Renewable Energy Portfolio Standard –*  
1162 *Class II*, or 225 CMR 16.00: *Alternative Energy Portfolio Standard*  
1163 *(APS)*.  
1164

1165 3. For Forest Derived Residues and Forest Derived Thinnings the Biomass  
1166 Fuel Certificate shall be issued consistent with the Eligible Forest Biomass  
1167 Tonnage Report which shall include one of the following:  
1168

1169 a. Citation of the DCR Cutting Plan under the Long Term Management  
1170 option and prepared by a Massachusetts Licensed Forester, and shall  
1171 include detail of the total allowable tonnage of forest derived Eligible  
1172 Biomass Woody Fuel;  
1173

1174 b. Citation to a cutting plan authorized under the host state forest agency  
1175 which includes a determination, approved by the Department, that the  
1176 material removed meets the definition of an Eligible Biomass Woody  
1177 Fuel; or

1178  
1179 c. Signature of a professional forester who is certified by the Society of  
1180 American Foresters, licensed and/or certified by the host state of the  
1181 harvest site, or certified by the Department where the Department has  
1182 received documentation that the professional forester has proficiency and  
1183 experience in forestry.

1184  
1185 4. The Eligible Forest Biomass Tonnage Report shall include certification by  
1186 the professional forester of compliance with all eligibility requirements for  
1187 Eligible Biomass Woody Fuels under 225 CMR 14.00. This may include  
1188 evidence that the fuel has been received from land certified by the Forest  
1189 Stewardship Council (FSC), Sustainable Forest Initiative (SFI), USDA Forest  
1190 Service; Forest Stewardship Program, or the host state's Current Use Program.

1191  
1192 5. For Forest Derived Residues and Forest Derived Thinnings, the Eligible  
1193 Forest Biomass Tonnage Report shall also include a certification from the  
1194 professional forester that no more than the allowable per cent of the total  
1195 weight of all forest products harvested from a given forest harvest site is  
1196 prescribed to be removed for utilization as an Eligible Biomass Woody Fuel.  
1197 The professional forester shall also certify that the prescribed harvest meets  
1198 the forest sustainability thresholds provided in the Biomass Eligibility and  
1199 Certificate Guideline. The Eligible Forest Biomass Tonnage Report shall also  
1200 include:

1201  
1202 a. the total tons of Eligible Biomass Woody Fuel prescribed for  
1203 harvesting under the category of Forest Derived Residues; and

1204  
1205 b. the total tons of Eligible Biomass Woody Fuel for harvesting under  
1206 the category of Forest Derived Thinnings. The total weight of the forest  
1207 products shall be calculated utilizing weight standards by species  
1208 provided in the Biomass Eligibility and Certificate Guideline. The  
1209 allowable percent removal limit shall be determined as prescribed in the  
1210 Guideline to protect soil nutrient retention in varying soil conditions.

1211  
1212 6. For Non-forest Derived Residue fuels, Forest Salvage, and Dedicated  
1213 Energy Crops, the Biomass Fuel Certificate shall be completed by the fuel  
1214 supplier and certified by the Owner, Operator, or Authorized Agent duly  
1215 verifying the fuel supplier, tonnage, source, and that said material feedstock  
1216 meets the criteria of an Eligible Biomass Woody Fuel as provided in the  
1217 Biomass Eligibility and Certificate Guideline.

1218

1219 (b) Verification Provision. The Department or independent third-parties  
1220 contracted for by the Department, shall conduct document inspections, audits, or  
1221 site visits under 225 CMR 14.11, as often as the Department determines is  
1222 necessary to verify compliance with all relevant provisions of 225 CMR 14.00  
1223 pertaining to use of an Eligible Biomass Woody Fuel.  
1224

1225 1. Advisory Panel. The Department shall appoint a panel of nine members  
1226 representing the Executive Office, the Department, DCR, MassDEP, an  
1227 environmental advocacy group, a licensed Massachusetts forester, a  
1228 conservation biologist, the Owner of a biomass Generation Unit, and a member  
1229 of the public. The Panel shall monitor the ongoing verification processes and  
1230 shall meet not less than two times per year and provide the Department, from  
1231 each meeting, its findings and recommendations, including its level of  
1232 confidence in the verification and enforcement provisions, regarding:  
1233

1234 a. the tracking and enforcement of Eligible Biomass Woody Fuel and Co-  
1235 mingled Biomass Woody Fuel; and  
1236

1237 b. the tracking of Biomass Fuel Certificates and their impact on the  
1238 biomass fuel market and greenhouse gas accounting. The Panel shall also  
1239 review the costs of verification and make recommendations to the  
1240 Department on any measures that may be required to offset this cost.  
1241

1242 2. Forest Impact Assessment. Every five years, beginning in 2015, the  
1243 Department, in coordination with DCR, will conduct an assessment of the  
1244 impacts on Massachusetts and regional forests resulting from biomass fuel  
1245 removals. The five-year assessment shall also consider information on the  
1246 Eligible Woody Biomass Fuel utilized by qualified Generation Units and the  
1247 extent to which such fuels come from the categories of Non-forest Derived  
1248 Residues, Forest Derived Residues, Forest Derived Thinnings, Forest Salvage,  
1249 and Dedicated Energy Crops. The Department shall use this information to  
1250 evaluate the appropriateness and accuracy of greenhouse gas accounting from  
1251 Generation Units utilizing Eligible Woody Biomass Fuel as provided in the  
1252 Lifecycle Greenhouse Gas Analysis required under 225 CMR  
1253 14.05(1)(a)7.f.iii., and as implemented in the Overall Efficiency and  
1254 Greenhouse Gas Analysis Guideline. Findings from the assessment shall be  
1255 reported to the Executive Office and made available to the public no later than  
1256 June 1<sup>st</sup> of each assessment year. If the Department concludes the findings  
1257 would likely result in significant impacts on long term forest sustainability or  
1258 accurate greenhouse gas accounting, the Department shall consult with the  
1259 Executive Office, MassDEP, and DCR on any changes that may be required  
1260 by the Department, MassDEP or DCR to maintain long term forest  
1261 sustainability and climate change mitigation.  
1262

1263 (c) A Generation Unit that uses Eligible Biomass Woody Fuel, Co-mingled  
1264 Biomass Woody Fuel, or Manufactured Biomass Fuel must report to the



1265 Department the following information on a quarterly basis, and will be provided  
1266 RPS Class I Renewable Generation Attributes as a function of its Overall  
1267 Efficiency as calculated in 225 CMR 14.05(8)(c)2. and 3.  
1268

1269 1. Each quarter, the designated independent Third-party Meter Reader of a  
1270 Generation Unit, approved by the Department, must report the following  
1271 information to the Department; Biomass Input Heat Content, Useful Thermal  
1272 Energy, Merchantable Bio-products, Renewable Generation, Renewable  
1273 Generation utilized behind-the-meter, and the Overall Efficiency as calculated  
1274 in 225 CMR 14.05(8)(c)2. and 3. For all reported data and prior to the  
1275 calculation of Overall Efficiency, all energy units must be expressed in MWh.  
1276 For Useful Thermal Energy and Biomass Input Heat Content the conversion  
1277 of energy units shall consider that each 3412 thousand BTUs is equivalent to  
1278 one MWh. For Merchantable Bio-products the product shall be prescribed an  
1279 energy content based on its enthalpy of reaction, as determined by a standard  
1280 independent laboratory analysis, and those units of energy appropriately  
1281 converted to MWhs.  
1282

1283 2. The Overall Efficiency of the Generation Unit each quarter shall be  
1284 calculated as: the sum of:

1285 a. Renewable Generation not utilized behind-the-meter;

1286 b. Renewable Energy utilized behind-the-meter divided by one minus the  
1287 average distribution and transmission line losses of the electrical grid for  
1288 which for this purpose shall be 8%;  
1289

1290 c. Useful Thermal Energy; and  
1291

1292 d. Merchantable Bio-Products; divided by Biomass Input Heat Content.  
1293

1294 3. A Generation Unit shall be provided on the NEPOOL GIS each quarter an  
1295 amount of Renewable Energy Attributes calculated as follows:  
1296

1297 a. A Generation Unit achieving 60% or higher Overall Efficiency in a  
1298 quarter will receive one RPS Class I Renewable Energy Attribute for  
1299 each MWh of RPS Class I Renewable Energy Generation.  
1300

1301 b. A Unit achieving 50% Overall Efficiency in a quarter will receive one-  
1302 half RPS Class I Renewable Energy Attribute for each MWh of RPS  
1303 Class I Renewable Energy Generation.  
1304

1305 c. A Unit achieving greater than 50% and less than 60% Overall  
1306 Efficiency in a quarter will receive one RPS Class I Renewable Energy  
1307 Attribute for each MWh of RPS Class I Renewable Energy Generation  
1308 times a pro-rated fraction calculated as follows:  $0.5 + 5 \times (\text{Overall}$   
1309  
1310

1311 Efficiency - 0.5), whereby the Overall Efficiency is expressed as a  
1312 decimal (e.g. 50% is expressed as 0.5).

1313  
1314 4. Notwithstanding the calculation in 225 CMR 14.05(8)(c)3., an  
1315 Advancement of Biomass Conversion Generation Unit shall be provided on  
1316 the NEPOOL GIS each quarter an amount of Renewable Energy Attributes  
1317 calculated as follows:

1318  
1319 a. A Generation Unit achieving 60% or higher Overall Efficiency in a  
1320 quarter will receive one RPS Class I Renewable Energy Attribute for  
1321 each MWh of RPS Class I Renewable Energy Generation.

1322  
1323 b. A Unit achieving 40% Overall Efficiency in a quarter will receive one-  
1324 half RPS Class I Renewable Energy Attribute for each MWh of RPS  
1325 Class I Renewable Energy Generation.

1326  
1327 c. A Unit achieving greater than 40% and less than 60% Overall  
1328 Efficiency in a quarter will receive one RPS Class I Renewable Energy  
1329 Attribute for each MWh of RPS Class I Renewable Energy Generation  
1330 times a pro-rating fraction calculated as follows:  $0.5 + 2.5 \times (\text{Overall}$   
1331  $\text{Efficiency} - 0.4)$ , whereby the Overall Efficiency is expressed as a  
1332 decimal (e.g. 50% is expressed as 0.5).

1333  
1334 (d) Annual Compliance of Generation Units using Eligible Biomass Woody Fuel,  
1335 Co-mingled Biomass Woody Fuel, or Manufactured Biomass Fuel. An Owner,  
1336 Operator, or Authorized Agent of a Generation Unit using Eligible Biomass  
1337 Woody Fuel, Co-mingled Biomass Woody Fuel, or Manufactured Biomass Fuel  
1338 shall provide to the Department by January 31<sup>st</sup> of each year a Biomass Unit  
1339 Annual Compliance Report and be subject to the following:

1340  
1341 1. Within the Biomass Unit Annual Compliance Report, in a format set forth  
1342 in the Overall Efficiency and Greenhouse Gas Analysis Guideline, the Owner,  
1343 Operator, or Authorized Agent shall identify the Owner's ownership of  
1344 Biomass Fuel Certificates denoting the fuel consumption for the Compliance  
1345 Year by the Generation Unit by tons of fuel, categorized as Forest Derived  
1346 Residues, Forest Derived Thinnings, Non-forest Derived Residues, Forest  
1347 Salvage, and Dedicated Energy Crops. The Owner, Operator, or Authorized  
1348 Agent shall retain copies of all Biomass Fuel Certificates for five years. The  
1349 Report must explain any variances with the proposed Fuel Supply Plan filed  
1350 with the Department for that Compliance Year.

1351  
1352 2. The Biomass Unit Annual Compliance Report must include a greenhouse  
1353 gas analysis for the Compliance Year. The analysis shall be prepared in  
1354 accordance with the Overall Efficiency and Greenhouse Gas Analysis  
1355 Guideline and the fuel use as represented by the Biomass Fuel Certificates  
1356 owned for the Compliance Year. This Report must also document the Unit's

1357 performance with respect to the lifecycle greenhouse emissions requirements  
1358 in 225 CMR 14.05(1)(a)7.f.iii., including the actual percent lifecycle  
1359 greenhouse gas emissions reduction over 20 years, as determined in the  
1360 Guideline. The Report shall document any under-compliance and the Percent  
1361 Under-compliance with the lifecycle greenhouse gas emission reduction  
1362 requirement.

1363  
1364 3. For Generation Units that report a Percent Under-compliance in 225 CMR  
1365 14.05(8)(d)2., the following provisions in 225 CMR 14.05(8)(a)3.a. through c.  
1366 shall apply.

1367  
1368 a. The Generation Unit shall be placed in a probationary status and the  
1369 Department shall notify the Owner that its Statement of Qualification  
1370 shall be revoked at the end of five Compliance Years following the  
1371 Compliance Year for which the Percent Under-compliance was reported,  
1372 as provided under 225 CMR 14.06(9). The Unit's probationary status  
1373 shall be rescinded and the Unit's Statement of Qualification shall no  
1374 longer be subject to revocation if either:

1375  
1376 i. for any three Compliance Years of the probationary period the  
1377 Biomass Unit Annual Compliance Report demonstrates that the Unit  
1378 is complying with the lifecycle greenhouse gas emissions  
1379 requirements; or

1380  
1381 ii. the Generation Unit's accumulated Percent Under-compliance is  
1382 offset by any net over-compliance with the lifecycle greenhouse gas  
1383 emissions requirement as demonstrated in the Unit's Annual  
1384 Compliance Reports during the probationary period.

1385  
1386 b. For any Compliance Year for which a Unit reports under compliance  
1387 with the lifecycle greenhouse emissions requirements, the Unit shall  
1388 demonstrate compliance through the Under-compliance Mechanism as  
1389 follows:

1390  
1391 i. The Generation Unit shall demonstrate compliance by making an  
1392 Under-compliance Payment to the MassCEC. Such payment shall be  
1393 equal to the product of the Generation Unit's Percent Under-  
1394 Compliance for the relevant year times \$0.50 for each Renewable  
1395 Energy Certificate settled for RPS Class I compliance in  
1396 Massachusetts that was generated by the Unit in the relevant  
1397 Compliance Year. The Generation Unit shall provide to the  
1398 Department copies of any receipt(s) for Under-compliance Payment  
1399 made to the MassCEC for the Compliance Year.

1400  
1401 ii. All Under-compliance Payments received by the MassCEC shall  
1402 be held in an account separate from other accounts of the MassCEC.

1403 The use of all Under-Compliance Payments shall be overseen by the  
1404 Department. The use of the funds shall be limited to the provision of  
1405 financial support for either:

1406  
1407 (i) investments across the supply chain for Forest Derived  
1408 Residues, such as but not limited to, investments in residue  
1409 biomass harvest equipment, investment in residue fuel handling  
1410 and trucking, and incremental investments needed by Generation  
1411 Units to handle and utilize residue biomass material; or

1412  
1413 (ii) activities that increase carbon sequestration through the  
1414 growth of biomass, for example the planting of trees.

1415  
1416 iii. The Generation Unit shall have up to one calendar year, after the  
1417 filing of its Biomass Unit Annual Compliance Report, to make its  
1418 total Under-Compliance Payment. If the Generation Unit fails to  
1419 make full payment in this time, its Statement of Qualification shall  
1420 be revoked, in accordance with 225 CMR 14.06(9), after the end of  
1421 that calendar year.

1422  
1423 c. A Generation Unit that is subject to a probationary status shall meet  
1424 the following requirements to demonstrate its ability to operate within  
1425 compliance. If, in any Compliance Year, the following requirements are  
1426 not followed, the Unit's Statement of Qualification will be revoked, as  
1427 provided under 225 CMR 14.06(9).

1428  
1429 i. For the first year in a Generation Unit's probationary status, the  
1430 Unit shall provide to the Department by April 1, a revised Fuel  
1431 Supply Plan demonstrating corrective action from previous year's  
1432 procurement practices that will provide for the necessary annual  
1433 supply of Non-forest Residues and Forest Derived Residues.

1434  
1435 ii. For the second year in a Generation Unit's probationary status, the  
1436 Unit shall provide to the Department by April 1, a revised Fuel  
1437 Supply Plan that demonstrates that at least 25% of the necessary  
1438 annual supply of Non-forest Residues and Forest Derived Residues  
1439 are procured under a contract with a fuel supplier.

1440  
1441 iii. For the third year in a Generation Unit's probationary status, the  
1442 Unit shall provide to the Department by April 1, a revised Fuel  
1443 Supply Plan that demonstrates that at least 50% of the necessary  
1444 annual supply of Non-forest Residues and Forest Derived Residues  
1445 are procured under a contract with a fuel supplier.

1446  
1447 iv. For the fourth year in a Generation Unit's probationary status, the  
1448 Unit shall provide to the Department by April 1, a revised Fuel

1449 Supply Plan that demonstrates that at least 75% of the necessary  
1450 annual supply of Non-forest Residues and Forest Derived Residues  
1451 are procured under a contract with a fuel supplier.  
1452

1453 v. For the fifth year in a Generation Unit's probationary status, the  
1454 Unit shall provide to the Department by April 1, a revised Fuel  
1455 Supply Plan that demonstrates that 100% of the necessary annual  
1456 supply of Non-forest Residues and Forest Derived Residues are  
1457 procured under a contract with a fuel supplier.  
1458

1459 (e) The Treatment of Previously Qualified Biomass Generation Units.  
1460 Notwithstanding any other provision of 225 CMR 14.00 Generation Units utilizing  
1461 a woody biomass fuel that had received a Statement of Qualification (SQ) prior to  
1462 December 3, 2009 shall be subject to the following provisions:  
1463

1464 1. The Department shall continue with the existing terms of all SQs, subject to  
1465 225 CMR 14.12, for all such qualified Generation Units through Compliance  
1466 Year 2012.  
1467

1468 2. If a Generation Unit which utilizes an Eligible Biomass Woody Fuel  
1469 demonstrates to the satisfaction of the Department compliance with the fuel  
1470 plan requirement found in 225 CMR 14.05(1)(a)7.f.i. and the requirements in  
1471 225 CMR 14.05(8)(a), then the Department shall continue such Unit's existing  
1472 SQ through Compliance Year 2014.  
1473

1474 3. Beginning in Compliance Year 2016 a previously qualified Generation Unit  
1475 utilizing an Eligible Biomass Woody Fuel shall meet all requirements of 225  
1476 CMR 14.00. If a Unit cannot demonstrate compliance with 225 CMR 14.00  
1477 the Department shall rescind the Unit's SQ effective commencing in  
1478 Compliance Year 2016.  
1479

1480 (9) Special Provisions for a Solar Carve-out II Renewable Generation Unit. All  
1481 references to kW or MW in 225 CMR 14.05(9) shall be measured on a nameplate  
1482 capacity basis in direct current (DC).  
1483

1484 (a) The Solar Carve-out II Renewable Generation Unit must use solar photovoltaic  
1485 technology on-site and be interconnected with the electric grid in the  
1486 Commonwealth of Massachusetts. On-site use includes any new or existing load  
1487 located at the site of the Solar Carve-out II Renewable Generation Unit, including  
1488 any parasitic load that may result from the installation and operation of the Solar  
1489 Carve-out II Renewable Generation Unit, and that is wired to receive a portion of  
1490 the electrical energy output from the Solar Carve-out II Renewable Generation  
1491 Unit before the balance of such output passes through the Solar Carve-out II  
1492 Renewable Generation Unit's metered interconnection onto the electric grid. The  
1493 maximum capacity of a Solar Carve-out II Renewable Generation Unit shall be six  
1494 MW and shall be determined based on the total capacity of Solar Carve-out

1495 Renewable Generation Units and Solar Carve-out II Renewable Generation Units  
1496 located on a single parcel of land. For any parcel of land for which a Solar Carve-  
1497 out II Renewable Generation Unit has submitted a Statement of Qualification  
1498 Application, if its current boundaries are the result of a subdivision recorded after  
1499 January 1, 2010, the Owner or Operator shall demonstrate to the Department that  
1500 the subdivision was not for the purpose of obtaining eligibility as a Solar Carve-  
1501 out II Renewable Generation Unit. If the Owner or Operator fails to make such a  
1502 showing to the Department, the six MW limit shall apply to the metes and bounds  
1503 of the parcel as recorded prior to the subdivision. Any solar photovoltaic  
1504 Generation Units that would result in excess of six MW of capacity installed on  
1505 the same parcel of land and meeting all other requirements under 225 CMR 14.00  
1506 may qualify only for RPS Class I Renewable Generation Attributes.  
1507

1508 (b) A Solar Carve-out II Renewable Generation Unit must have a Commercial  
1509 Operation Date on or after January 1, 2013 and must not be qualified as a Solar  
1510 Carve-out Renewable Generation Unit under provisions in 225 CMR 14.05(4).  
1511

1512 (c) Any entity that owns Solar Carve-out II Renewable Attributes generated by a  
1513 Solar Carve-Out II Renewable Generation Unit is eligible to make deposits into  
1514 the Solar Credit Clearinghouse Auction-II. The Department or its agent shall  
1515 maintain a Solar Credit Clearinghouse Auction-II Account on the NEPOOL GIS  
1516 into which eligible Solar Carve-out II Renewable Generation Attributes may be  
1517 deposited. The Solar Credit Clearinghouse Auction-II Account shall be available  
1518 for deposit of Attributes only from May 16<sup>th</sup> through June 15<sup>th</sup>.  
1519

1520 (d) An entity that opts to deposit Solar Carve-out II Renewable Attributes into the  
1521 Solar Credit Clearinghouse Auction-II Account shall be assessed, at the  
1522 completion of the auction, a usage fee of five percent of the auction price for each  
1523 such Attribute deposited into Solar Credit Clearinghouse Auction-II Account. This  
1524 usage fee shall be deposited into the Alternative Compliance Payment fund under  
1525 225 CMR 14.08(3). This usage fee will not apply to Attributes that remain unsold  
1526 following the final round of the Solar Credit Clearinghouse Auction-II as provided  
1527 in 225 CMR 14.05(9)(i).  
1528

1529 (e) Those Solar Carve-out II Renewable Generation Attributes deposited into the  
1530 Solar Credit Clearinghouse Auction-II Account shall then be retired and reissued  
1531 by NEPOOL GIS as re-minted auction-II account Generation Attributes. These re-  
1532 minted auction-II account Generation Attributes shall be eligible for compliance  
1533 in either of the two subsequent Compliance Years from the year in which they  
1534 were generated to meet obligations under the Massachusetts Solar Carve-out II  
1535 Minimum Standard. The Department or its agent shall conduct an auction for those  
1536 re-minted auction-II account Generation Attributes. Any entity wishing to  
1537 purchase re-minted auction-II account Generation Attributes may participate and  
1538 enter a bid. Each bid shall be for the number of re-minted auction-II account  
1539 Generation Attributes that the bidder wishes to purchase at a fixed price. The fixed  
1540 price shall vary each Compliance Year according to the following schedule.

<b>Compliance Year</b>	<b>Solar Credit Clearinghouse Auction-II Fixed Price, \$ per Generation Attribute</b>
2014	\$300
2015	\$300
2016	\$300
2017	\$285
2018	\$271
2019	\$257
2020	\$244
2021	\$232
2022	\$221
2023	\$210
2024	\$199
2025	\$189
2026	\$180
2027 and after	\$171

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(f) The Solar Credit Clearinghouse Auction-II shall be held not later than July 31<sup>st</sup> each year as necessary. If this Auction clears, meaning that the total number of re-minted auction-II account Generation Attributes bid for in the auction was equal to or more than the number of Solar Carve-out II Renewable Generation Attributes deposited, then the total amount of re-minted auction-II account Generation Attributes will be distributed to the bidders in a pro-rated manner such that each bidder receives the same percentage of their bid volume.

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(g) If the auction under 225 CMR 14.05(9)(f) does not clear, meaning that the total number of re-minted auction-II account Generation Attributes bid for in the auction was less than the number of Solar Carve-out II Renewable Generation Attributes deposited, the Department or its agent shall void the auction. The Department shall then conduct a second auction within three Business Days of the first auction under 225 CMR 14.05(9)(f), in which any re-minted auction-II Generation Attributes purchased shall be eligible in any of the three subsequent Compliance Years from the year in which they were generated to meet obligations under the Massachusetts Solar Carve-out II Minimum Standard.

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(h) If the second auction under 225 CMR 14.05(9)(g) does not clear, the Department or its agent shall void the auction. The Department shall then conduct a third auction within three Business Days of the second auction under 225 CMR 14.05(9)(g), at which point the re-minted auction-II Generation Attributes shall be eligible in any of the three subsequent Compliance Years from the year in which they were generated to meet obligations under the Massachusetts Solar Carve-out II Minimum Standard. Prior to the third auction under 225 CMR 14.05(9)(h), the

1568 Department shall also re-calculate the Massachusetts Solar Carve-out II Minimum  
1569 Standard under 225 CMR 14.07(3).

1570  
1571 (i) If the third auction under 225 CMR 14.05(9)(h) does not clear, the re-minted  
1572 auction-II account Generation Attributes deposited in the Solar Credit  
1573 Clearinghouse Auction-II Account shall be allocated to the bidders in a pro-rated  
1574 manner so that an equal percentage of re-minted auction-II account Generation  
1575 Attributes are allocated from each Generation Unit that deposited Solar Carve-out  
1576 II Renewable Generation Attributes. The remaining re-minted auction-II account  
1577 Generation Attributes that were not allocated to the bidders shall be returned to the  
1578 entity that made the deposit. These re-minted auction-II account Generation  
1579 Attributes shall be eligible in any of the three subsequent Compliance Years from  
1580 the year in which they were generated to meet obligations under the Massachusetts  
1581 Solar Carve-out II Minimum Standard.

1582  
1583 (j) Re-minted auction-II account Generation Attributes may not be placed into the  
1584 Solar Credit Clearinghouse Auction-II Account in subsequent years.

1585  
1586 (k) For each MWh of electricity generation, a Solar Carve-out II Renewable  
1587 Generation Unit shall generate two types of GIS Certificates. The first type of GIS  
1588 Certificate shall be encoded as solar photovoltaic, but without RPS Class I  
1589 Renewable Generation Attributes or Solar Carve-out II Renewable Generation  
1590 Attributes. The second type of GIS Certificate shall be a Solar Renewable Energy  
1591 Certificate II (SREC II). The proportion of each of type of GIS Certificate that a  
1592 Solar Carve-out II Renewable Generation Unit shall generate will be determined  
1593 subject to the following:

1594  
1595 1. Beginning with the calendar quarter in which each Solar Carve-out II  
1596 Renewable Generation Unit's RPS Effective Date occurs, as prescribed in 225  
1597 CMR 14.06(4), the number of GIS Certificates encoded as solar photovoltaic  
1598 without RPS Class I Renewable Generation Attributes or Solar Carve-out II  
1599 Renewable Generation Attributes that each Generation Unit generates shall be  
1600 equal to one minus the SREC Factor, as determined under 225 CMR  
1601 14.05(9)(1), times the number of MWh generated. The number of SREC IIs  
1602 each Generation Unit generates shall be equal to the SREC Factor, as  
1603 determined under 225 CMR 14.05(9)(1), times the number of MWh generated.  
1604 This shall apply for as long as the Solar Carve-out II Renewable Generation  
1605 Unit is eligible to generate Solar Carve-out II Renewable Generation  
1606 Attributes pursuant to 225 CMR 14.05(9)(1)4.

1607  
1608 2. The Solar Carve-out II Renewable Generation Unit Owner or Operator must  
1609 include within its Statement of Qualification Application an attestation that  
1610 any GIS Certificate encoded as solar photovoltaic, but without RPS Class I  
1611 Renewable Generation Attributes or Solar Carve-out II Renewable Generation  
1612 Attributes, shall be retired at NEPOOL GIS and its ownership shall not be  
1613 transferred to any other party.



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3. Upon the termination of the eligibility period established under 225 CMR 14.05(9)(1)4., a Solar Carve-out II Renewable Generation Unit shall cease to generate SREC IIs and will generate RPS Class I Renewable Generation Attributes for 100% of the MWh it generates.

(l) SREC Factor. The Department assigns to each Solar Carve-out II Renewable Generation Unit an SREC Factor that determines the proportion of the two types of GIS Certificates the Generation Unit will generate as prescribed in 225 CMR 14.05(9)(k). The SREC Factor for any Solar Carve-out II Renewable Generation Unit shall be established as follows:

1. The Department shall publish an SREC Factor Guideline that prescribes SREC Factors differentiated by solar market sectors as specified in 225 CMR 14.05(9)(1)2. to support solar policy objectives.

2. An SREC Factor under 225 CMR 14.05(9)(1)1. shall apply to Generation Units installed in the following market sectors:

a. Market Sector A. The following types of Generation Units will qualify as Solar Carve-out II Renewable Generation Units under Market Sector A provided they meet the eligibility criteria prescribed in 225 CMR 14.05(9)(a):

- i. Generation Units with a capacity equal to or less than 25 kW;
- ii. Solar Canopy Generation Units;
- iii. Emergency Power Generation Units;
- iv. Community Shared Solar Generation Units; or
- v. Generation Units that provide all of their generation output in the form of electricity or net metering credits to low or moderate income housing, as defined under M.G.L. c. 40B, § 20.

For the purposes of 225 CMR 14.05(9)(1)2.a., a Generation Unit's capacity shall be measured as the total nameplate capacity of the qualified Solar Carve-out II Renewable Generation Unit on a single parcel of land or on a roof of a single building.

b. Market Sector B. The following types of Generation Units will qualify as Solar Carve-out II Renewable Generation Units under Market Sector B provided they meet the eligibility criteria prescribed in 225 CMR 14.05(9)(a):

1660 i. Building Mounted Generation Units with a capacity of greater  
1661 than 25 kW; or

1662  
1663 ii. Ground mounted Generation Units with a capacity of greater  
1664 than 25 kW for which 67% or more of its annual electric output  
1665 is used on-site as prescribed in 225 CMR 14.05(9)(a).

1666  
1667 c. Market Sector C. The following types of Generation Units will qualify  
1668 as Solar Carve-out II Renewable Generation Units under Market Sector  
1669 C provided they meet the eligibility criteria prescribed in 225 CMR  
1670 14.05(9)(a):

1671  
1672 i. Generation Units with 75% or more of the nameplate capacity  
1673 of the solar modules used for generating power installed at an  
1674 Eligible Landfill or Brownfield; or

1675  
1676 ii. Ground mounted Generation Units with a nameplate capacity  
1677 of less than or equal to 650 kW for which less than 67% of its  
1678 annual electrical output is used on-site as prescribed in 225 CMR  
1679 14.05(9)(a). For the purposes of 225 CMR 14.05(9)(1)2.c., a  
1680 Unit's capacity shall be measured as the total capacity of  
1681 qualified Solar Carve-out II Renewable Generation Units on a  
1682 single parcel of land.

1683  
1684 d. Managed Growth Sector. Any Solar Carve-out II Renewable  
1685 Generation Unit that does not meet the solar market sectors specified in  
1686 225 CMR 14.05(9)(1)2.a. through c. shall be eligible to qualify as  
1687 Managed Growth. There shall be no more than 126 MW of Managed  
1688 Growth Solar Carve-out II Renewable Generation Units.

1689  
1690 3. The SREC Factor assigned to a Unit in its Statement of Qualification shall  
1691 remain its SREC Factor for its entire term it is eligible to generate Solar Carve-  
1692 out II Renewable Generation Attributes subject to the limitations in 225 CMR  
1693 14.05(9)(1)4, unless otherwise approved at the Department's discretion.

1694  
1695 4. Solar Carve-out II Renewable Generation Units with an RPS Effective Date  
1696 on or before March 31, 2018 will be eligible to receive Solar Carve-out II  
1697 Renewable Generation Attributes for 40 quarters. However, no Solar Carve-  
1698 out II Renewable Generation Unit will generate Solar Carve-out II Renewable  
1699 Generation Attributes after Compliance Year 2027.

1700  
1701 5. Notwithstanding 225 CMR 14.05(9)(1)3, any Solar Carve-out II Renewable  
1702 Generation Unit that has a nameplate capacity equal to or less than 25 kW and  
1703 receives an authorization to interconnect after January 8, 2017 or that qualifies  
1704 for an extension under 225 CMR 14.05(9)(s)4.a will receive a lower SREC

Factor that shall be established in a revision to the SREC Factor Guideline on or before August 31, 2016.

(m) The Department shall issue a Guideline outlining the process for providing Assurance of Qualification or queuing position to Solar Carve-out II Renewable Generation Units as outlined in 225 CMR 14.05(9)(n) and (o). The Guideline may consider accommodations for small Generation Units and will provide a queuing system for Generation Units awaiting an Assurance of Qualification. The content of the Guideline will be subject to stakeholder review and comment.

(n) A Generation Unit seeking a Statement of Qualification as a Solar Carve-out II Renewable Generation Unit must submit a Statement of Qualification Application.

(o) The Department shall grant a Statement of Qualification to Solar Carve-out II Renewable Generation Units that have submitted a complete Statement of Qualification Application and meet the eligibility criteria prescribed in 225 CMR 14.05(9).

(p) As of April 8, 2016, the Department shall provide Statements of Qualifications to all Solar Carve-out II Renewable Generation Units with submitted Statement of Qualification Applications as follows, provided such Solar Carve-out II Renewable Generation Units meet all other eligibility criteria of 225 CMR 14.00.

1. A Solar Carve-out II Renewable Generation Unit with a rated capacity greater than 25 kW that has received an Assurance of Qualification under the Solar Carve-out II Program Capacity Cap as of April 8, 2016, shall immediately be granted a Statement of Qualification. The Solar Carve-out II Renewable Generation Unit will retain its Statement of Qualification only if the Generation Unit meets the project construction timelines prescribed in 225 CMR 14.05(9)(p)4.

2. A Solar Carve-out II Renewable Generation Unit with a rated capacity greater than 25 kW that submits a complete Statement of Qualification Application shall be provided a Statement of Qualification. The Solar Carve-out II Renewable Generation Unit will retain its Statement of Qualification only if the Generation Unit meets the project construction timelines prescribed in 225 CMR 14.05(9)(p)4.

3. A Solar Carve-out II Renewable Generation Unit that has a rated capacity equal to or less than 25 kW, which has both received its authorization to interconnect or permission to operate from its local Distribution Company and submitted a Statement of Qualification Application by the SMART Program Effective Date, as defined in 225 CMR 20.05(2): *SMART Program Effective*

1751 *Date*, shall be provided a Statement of Qualification provided it meets all other  
1752 applicable eligibility criteria of 225 CMR 14.00. For the purpose of this  
1753 subparagraph, the Generation Unit’s capacity shall be measured as the total  
1754 capacity of qualified Solar Carve-Out Renewable Generation and Solar Carve-  
1755 Out II Renewable Generation on a single parcel of land or on a roof of a single  
1756 building, whichever is less.

1757  
1758 4. A Solar Carve-out II Renewable Generation Unit with a rated capacity  
1759 greater than 25 kW that has received a Statement of Qualification must receive  
1760 its authorization to interconnect or permission to operate from its local  
1761 Distribution Company on or before January 8, 2017, in order to retain its  
1762 Statement of Qualification. However, a Solar Carve-out II Renewable  
1763 Generation Unit that does not receive its authorization to interconnect or  
1764 permission to operate from its local Distribution Company on or before  
1765 January 8, 2017, may also retain its Statement of Qualification if it can meet  
1766 the following criteria:

1767  
1768 a. If a Solar Carve-out II Renewable Generation Unit can demonstrate to  
1769 the Department’s satisfaction that it has expended at least 50% of its total  
1770 construction costs by January 8, 2017, it will be provided an extension  
1771 through May 8, 2017, at which point the Generation Unit must provide  
1772 evidence that it has received its authorization to interconnect or  
1773 permission to operate, or that it meets the criteria to qualify for an  
1774 additional extension under 225 CMR 14.05(9)(p)4.b or c.

1775  
1776 b. If a Solar Carve-out II Renewable Generation Unit can demonstrate to  
1777 the Department’s satisfaction that its interconnection depends only upon  
1778 receipt of notice of authorization to interconnect from the Distribution  
1779 Company, its Statement of Qualification shall be extended indefinitely  
1780 until such notice is received or denied.

1781  
1782 c. If a Solar Carve-out II Renewable Generation Unit can demonstrate to  
1783 the Department’s satisfaction that good cause warrants an extension  
1784 outside of that permitted under 225 CMR 14.05(9)(p)4.a or b, its  
1785 Statement of Qualification shall be extended by an amount of time to be  
1786 determined by the Department.

1787  
1788  
1789 d. Details on additional deadlines and eligibility criteria can be found in  
1790 the Department’s *SREC Factor Guideline*.

1791  
1792 14.06: Qualification Process for RPS Class I, Solar Carve-out Renewable Generation Units, and  
1793 Solar Carve-out II Renewable Generation Units

1794  
1795 (1) Statement of Qualification Application. A Statement of Qualification Application  
1796 shall be submitted to the Department by the Owner or Operator of the Generation Unit

1797 or by the Authorized Agent for an Aggregation, as provided in 225 CMR 14.05(6)(b).  
1798 The applicant must use the most current forms and associated instructions provided  
1799 by the Department, and must include all information, documentation, and assurances  
1800 required by such forms and instructions.

1801  
1802 (2) Review Procedures.

1803  
1804 (a) The Department will notify the applicant when the Statement of Qualification  
1805 Application is administratively complete or if additional information is required  
1806 pursuant to 225 CMR 14.06(1).

1807  
1808 (b) The Department may, in its sole discretion, provide an opportunity for public  
1809 comment on any Statement of Qualification Application.

1810  
1811 (c) Not later than ten days after receiving an administratively complete Statement of  
1812 Qualification Application for an Advancement of Biomass Conversion Generation Unit, the  
1813 Department shall notice such application and provide an opportunity for public comment before  
1814 the Department issues a Statement of Qualification.

1815 (3) Issuance or Non-issuance of a Statement of Qualification.

1816  
1817 (a) If the Department finds that all or a portion of the electrical energy output of a  
1818 Generation Unit or of an Aggregation meets the requirements for eligibility as RPS  
1819 Class I Renewable Generation, Solar Carve-out Renewable Generation, or Solar  
1820 Carve-out II Renewable Generation pursuant to 225 CMR 14.05, the Department  
1821 will provide the Owner or Operator of such Generation Unit or the Authorized  
1822 Agent for such Aggregation with a Statement of Qualification.

1823  
1824 (b) The Statement of Qualification shall include any applicable restrictions and  
1825 conditions that the Department deems necessary to ensure compliance by a  
1826 particular Generation Unit or Aggregation with the provisions of 225 CMR 14.00.  
1827 After June 28, 2013, a Statement of Qualification shall be issued to a Solar Carve-  
1828 out Renewable Generation Unit only if it meets the conditions of 225 CMR  
1829 14.05(4)(k).

1830  
1831 (c) If the Generation Unit or Aggregation does not meet the requirements for  
1832 eligibility as an RPS Class I Renewable Generation Unit, a Solar Carve-out  
1833 Renewable Generation Unit, or Solar Carve-out II Renewable Generation Unit,  
1834 the Department shall provide written notice to the Owner or Operator or to the  
1835 Authorized Agent for an Aggregation, including the Department's reasons for such  
1836 finding.

1837  
1838 (d) A Solar Carve-out Renewable Generation Unit shall receive a Statement of  
1839 Qualification that states that the Generation Unit is eligible for the Massachusetts  
1840 Solar Carve-out and that specifies a term of calendar quarters, referred to as the  
1841 Opt-in Term, during which period the Generation Unit is eligible to participate in  
1842 the Solar Credit Clearinghouse Auction. The Opt-in Term shall be set at the time

1843 that the Generation Unit receives its Statement of Qualification, and the Opt-in  
1844 Term shall commence with the earlier of either the first day of the calendar quarter  
1845 during which occurs the RPS Effective Date, as such date is provided in 225 CMR  
1846 14.06(4), or, at the request of the applicant or in the case that the Generation Unit  
1847 has not yet been granted the approval to interconnect to the grid by the local  
1848 Distribution Company, the first day of the subsequent calendar quarter from the  
1849 date of the Statement of Qualification.

1850  
1851 (e) The length of the Opt-in Term shall be 40 quarters for all Solar Carve-out  
1852 Renewable Generation Units that receive a Statement of Qualification.

1853  
1854 (f) Starting in the calendar quarter after the end of a Solar Carve-out Renewable  
1855 Generation Unit's Opt-in Term, it shall no longer be eligible to generate Solar  
1856 Carve-out Renewable Generation Attributes, but will remain qualified to generate  
1857 RPS Class I Renewable Generation Attributes.

1858  
1859 (g) A Solar Carve-out II Renewable Generation Unit shall be issued a Statement  
1860 of Qualification provided that it meets the provisions of 225 CMR 14.05(9).

1861  
1862 (4) RPS Effective Date. The RPS Effective Date shall be the earliest date on or after  
1863 the Commercial Operation Date on which electrical energy output of an RPS Class I  
1864 Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, or Solar  
1865 Carve-out II Renewable Generation Unit can result in the creation of RPS Class I  
1866 Renewable Generation Attributes, Solar Carve-out Renewable Generation Attributes,  
1867 or Solar Carve-out II Renewable Generation Attributes except that;

1868  
1869 (a) in the case of a Biomass Unit, the RPS Effective Date shall not be earlier than  
1870 the date on which the Department determines that the Generation Unit has  
1871 commenced compliance with the low-emission conditions in its Statement of  
1872 Qualification;

1873  
1874 (b) in the case of a Hydroelectric Energy Generation Unit, the RPS Effective Date  
1875 shall not be earlier than the date on which the Department determined that the  
1876 Generation Unit has commenced compliance with the environmental conditions in  
1877 its Statement of Qualification; and

1878  
1879 (c) in the case of Solar Carve-out II Renewable Generation Units, the Generation  
1880 Unit Owner may elect to have their RPS Effective Date established as the first day  
1881 of the calendar quarter following their Commercial Operation Date. In the case of  
1882 a Solar Carve-out II Renewable Generation Unit in the Managed Growth Sector,  
1883 its RPS Effective Date will be no earlier than the first day of the calendar year of  
1884 the Annual Capacity Block under which the Solar Carve-out II Renewable  
1885 Generation Unit is qualified.

1886  
1887 (5) Notification Requirements for Change in Eligibility Status. The Owner or Operator  
1888 of an RPS Class I Renewable Generation Unit, Solar Carve-out Renewable Generation

1889 Unit, or Solar Carve-out II Renewable Generation Unit shall notify the Department of  
1890 any changes in the technology, operation, emissions, fuel sources, energy resources,  
1891 capacity commitment, or other characteristics of the Generation Unit that may affect  
1892 the eligibility of the Generation Unit as an RPS Class I Renewable Generation Unit,  
1893 Solar Carve-out Renewable Generation Unit, or Solar Carve-out II Renewable  
1894 Generation Unit. The Owner or Operator shall submit the notification to the  
1895 Department no later than five days following the end of the month during which such  
1896 changes were implemented. The notice shall state the date the changes were made to  
1897 the RPS Class I Renewable Generation Unit, Solar Carve-out Renewable Generation  
1898 Unit, or Solar Carve-out II Renewable Generation Unit and describe the changes in  
1899 sufficient detail to enable the Department to determine if a change in eligibility is  
1900 warranted.

1901  
1902 (6) Notification Requirements for Change in Ownership, Generation Capacity, or  
1903 Contact Information. The Owner or Operator of an RPS Class I Renewable Generation  
1904 Unit, Solar Carve-out Generation Unit, or Solar Carve-out II Renewable Generation  
1905 Unit shall notify the Department of any changes in the ownership, operating entity,  
1906 generation capacity, NEPOOL GIS account, independent verification system for the  
1907 Generation Unit's or Aggregation's electrical energy output, or contact information for  
1908 the Generation Unit or Aggregation. The Owner or Operator shall submit the  
1909 notification to the Department no later than five days following the end of the month  
1910 during which such changes were implemented.

1911  
1912 (7) Time Limit for Project Implementation. Any Statement of Qualification issued on  
1913 or after March 31, 2009 shall expire 24 months after the issuance date of the Statement  
1914 of Qualification (the Expiration Date) unless the Commercial Operation Date of the  
1915 Generation Unit or Aggregation is on or before the Expiration Date, with the exception  
1916 of any Statement of Qualification issued to a Solar Carve-out Generation Unit, which  
1917 shall expire per the terms outlined in 225 CMR 14.05(4)(k). Any Statement of  
1918 Qualification issued to a Solar Carve-out II Renewable Generation Unit shall expire  
1919 pursuant to the terms outlined in 225 CMR 14.05(9)(p). The Department may, at its  
1920 discretion, grant an extension of the Expiration Date of the Statement of Qualification  
1921 upon petition by the Owner or Operator of the Generation Unit or Aggregation. If the  
1922 Owner or Operator of such Generation Unit or Aggregation desires an extension, such  
1923 Owner or Operator must submit a new Statement of Qualification Application, and the  
1924 decision of the Department on such new application may be made in accordance with  
1925 the regulations and criteria that are applicable on the date that the Department receives  
1926 that application.

1927  
1928 (8) Expiration of Advisory Rulings. An advisory ruling issued by the Department for  
1929 any proposed Generation Unit for which an administratively complete Statement of  
1930 Qualification Application has not been submitted as of January 7, 2011, shall be  
1931 deemed to have expired on January 7, 2011.

1932  
1933 (9) Suspension or Revocation of Statement of Qualification. The Department may  
1934 suspend or revoke a Statement of Qualification if the Owner or Operator of an RPS

1935 Class I Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, or  
 1936 Solar Carve-out II Renewable Generation Unit or Authorized Agent of an Aggregation  
 1937 fails to comply with 225 CMR 14.00 or if a Generation Unit does not operate during  
 1938 a consecutive 12-month period.

1939  
 1940 14.07: Renewable Energy Portfolio Standard - Class I

1941  
 1942 (1) RPS Class I Minimum Standard. The total annual sales of each Retail Electricity  
 1943 Product sold to Massachusetts End-use Customers by a Retail Electricity Supplier  
 1944 shall include a minimum percentage, as specified in the table in 225 CMR 14.07, of  
 1945 electrical energy sales with RPS Class I Renewable Generation Attributes, Solar  
 1946 Carve-out Renewable Generation Attributes, and Solar Carve-out II Renewable  
 1947 Generation Attributes. The following table reflects annual total RPS Class I Minimum  
 1948 Standard Percentage requirements, including the Solar Carve-out and Solar Carve-out  
 1949 II Minimum Standards, in effect from 2003 through 2030:  
 1950  
 1951

Compliance Year	Cumulative Minimum Percentage, Including solar carve-out and solar carve-out II
2003	1.0%
2004	1.5%
2005	2.0%
2006	2.5%
2007	3.0%
2008	3.5%
2009	4.0%
2010	5.0%
2011	6.0%
2012	7.0%
2013	8.0%
2014	9.0%
2015	10.0%
2016	11.0%
2017	12.0%
2018	13.0%
2019	14.0%
2020	16.0%
2021	18.0%
2022	20.0%
2023	22.0%
2024	24.0%
2025	26.0%
2026	28.0%
2027	30.0%



2028	32.0%
2029	34.0%
2030	35.0%

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After 2030, the RPS Class I Minimum Standard shall increase by 1% in each subsequent Compliance Year unless modified by law.  
(2) Solar Carve-out Minimum Standard. All references to kW or MW in 225 CMR 14.07(2) shall be measured on a nameplate capacity basis in direct current (DC).

(a) The total annual sales of each Retail Electricity Product sold to Massachusetts End-use Customers by a Retail Electricity Supplier shall include a minimum percentage of electrical energy sales with Solar Carve-out Renewable Generation Attributes. This percentage shall be a portion of the Supplier's obligation under 225 CMR 14.07(1) and not an additional obligation of the Supplier. For each Compliance Year, the Solar Carve-out Minimum Standard shall be calculated as the total Solar Carve-out compliance obligation (in MWh) as determined in 225 CMR 14.07(2)(b) and (c), divided by the total MWh of electrical energy sales by Retail Electricity Suppliers to End-use Customers in the Compliance Year two years prior, as such sales are defined in 225 CMR 14.09(2)(a). The following table reflects the Minimum Standards in effect from Compliance Years 2010 through 2021 by year and the execution date of a retail supply contract:

<b>Solar Carve-Out Minimum Standards</b>		
<b>Compliance Year</b>	<b>Retail Contract Execution Date</b>	<b>Minimum Standard</b>
2010	N/A	0.0679%
2011	N/A	0.1627%
2012	N/A	0.1630%
2013	On or before 6/7/2013	0.2744%
	After 6/7/2013	0.3833%
2014	N/A	0.9481%
2015	On or before 6/28/2013	1.5359%
	After 6/28/2013	2.1442%
2016	On or before 6/28/2013	0.9801%
	After 6/28/2013	1.7568%
2017	On or before 6/28/2013	0.9861%
	After 6/28/2013	1.6313%
2018	On or before 6/28/2013	1.1411%
	After 6/28/2013	1.7903%
2019	On or before 6/28/2013	1.0978%
	After 6/28/2013	1.7458%
2020	On or before 6/28/2013	0.9867%
	After 6/28/2013	1.6116%
2021	On or before 6/28/2013	0.9824%

	After 6/28/2013	1.6272%
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(b) For all Compliance Years subsequent to 2021, the Minimum Standards calculated for the Solar Carve-out, which shall be announced by the Department not later than August 31<sup>st</sup> of the preceding Compliance Year, shall be determined by first calculating the compliance obligation and setting it to either:

1. the total Solar Carve-out Renewable Generation Attributes projected to be generated for the previous Compliance Year (CY-1) minus the total Solar Carve-out Renewable Generation Attributes that will no longer be generated in the Compliance Year per 225 CMR 14.06(3)(e); or

2. the total Solar Carve-out Renewable Generation Attributes projected to be generated for the previous Compliance Year

(CY-1) minus the total Solar Carve-out Renewable Generation Attributes that will no longer be generated in the Compliance Year per 225 CMR 14.06(3)(e), minus the quantity of solar carve-out Alternative Compliance Credits used for the Compliance Year two years prior (CY-2), plus the number of Solar Carve-out Renewable Generation Attributes from the Compliance Year two years prior (CY-2) banked as provided under 225 CMR 14.08(2), plus the number of Solar Carve-out Renewable Generation Attributes from the Compliance Year two years prior (CY-2) deposited into the Solar Credit Clearinghouse Auction Account, whichever is greater.

(c) Minimum Standard for Retail Load Served under Contracts Executed on or Before June 28, 2013. The Solar Carve-out Minimum Standard applied to Retail Electric Suppliers for that portion of electrical energy sales that were subject to a contract executed or extended prior to June 28, 2013 shall be calculated based on a compliance obligation calculated per 225 CMR 14.07(2)(b) as if the Solar Carve-Out Program Capacity Cap was 400 MW minus the capacity from Solar Carve-out Renewable Generation Units that will no longer be eligible per 225 CMR 14.06(3)(e). 225 CMR 14.07(2)(c) applies only if the Retail Electric Supplier provides documentation, satisfactory to the Department, identifying the terms of such contracts including but not limited to, the execution and expiration dates of the contract and the annual volume of electrical energy supplied.

(d) In the instance the Solar Credit Clearinghouse Auction under 225 CMR 14.05(4)(g) does not clear, prior to conducting an auction under 225 CMR 14.05(4)(h), the Department shall recalculate the Solar Carve-out Minimum

2017 Standards for the Compliance Year two years following the Compliance Year in  
2018 which the Solar Carve-out Renewable Generation Attributes deposited into the  
2019 Solar Credit Clearinghouse Auction Account were generated by adding to the  
2020 previously calculated total compliance obligations under 225 CMR 14.07(2)(b)  
2021 and (c) the number of Solar Carve-out Renewable Generation Attributes deposited  
2022 into the Solar Credit Clearinghouse Auction Account such that the number of  
2023 Attributes deposited is counted twice.

2024  
2025 (e) Compliance Year 2023 shall be the final Compliance Year of the Solar Carve-  
2026 out program. In the event that a Solar Credit Clearinghouse Auction is held for  
2027 Compliance Year 2022 or 2023 and creates Re-minted Auction Account Attributes  
2028 that can be used for Compliance Years after 2023, the Department shall extend the  
2029 final Compliance Year by one additional Compliance Year. The compliance  
2030 obligation for this additional Compliance Year will be equal to the number of Solar  
2031 Carve-out Renewable Energy Generation Attributes deposited into the Solar  
2032 Credit Clearinghouse Auction Account plus the number of remaining Re-Minted  
2033 Auction Account Attributes and banked Solar Carve-out Renewable Generation  
2034 Attributes that have not been used for meeting any compliance obligation. The  
2035 Solar Carve-out Minimum Standard shall be set to zero for the year after this  
2036 additional Compliance Year.

2037  
2038 (f) In the event that there is an additional Compliance Year added as a result of an  
2039 Auction in the final Compliance Year, Solar Carve-out Renewable Energy  
2040 Generation Attributes shall cease to exist as of the start of the additional  
2041 Compliance Year, and all generation from qualified Solar Carve-out Generation  
2042 Units shall produce RPS Class I Generation Attributes.

2043  
2044 (g) In the event that there is no additional Compliance Year added as the result of  
2045 an Auction in the final Compliance Year, the Department shall set the Solar Carve-  
2046 out Minimum Standard to zero for the year after the final Compliance Year. From  
2047 this time forward, Solar Carve-out Renewable Energy Generation Attributes shall  
2048 cease to exist, and all generation from qualified Solar Carve-out Renewable  
2049 Generation Units shall produce RPS Class I Renewable Energy Attributes.

2050  
2051 (3) Solar Carve-out II Minimum Standard. All references to MW in 225 CMR 14.07(3)  
2052 shall be measured on a nameplate capacity basis in direct current (DC).

2053  
2054 (a) The total annual sales of each Retail Electricity Product sold to Massachusetts  
2055 End-use Customers by a Retail Electricity Supplier shall include a minimum  
2056 percentage of electrical energy sales with Solar Carve-out II Renewable  
2057 Generation Attributes. This percentage shall be a portion of the Supplier's  
2058 obligation under 225 CMR 14.07(1) and not an additional obligation of the  
2059 Supplier. For each Compliance Year, the Department shall calculate the Solar  
2060 Carve-out II Minimum Standard by dividing the total Solar Carve-out II  
2061 compliance obligation (in MWh), as determined in 225 CMR 14.07(3)(b) and (c),  
2062 by the total MWh of electrical energy sales by Retail Electricity Suppliers to End-

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use Customers in the Compliance Year two years prior, as such sales are defined in 225 CMR 14.09(2)(a). The following table reflects the Minimum Standards in effect from Compliance Years 2014 through 2021 by year and the execution date of a retail supply contract:

<b>Solar Carve-Out II Minimum Standards</b>		
<b>Compliance Year</b>	<b>Retail Contract Execution Date</b>	<b>Minimum Standard</b>
2014	On or before 4/25/2014	0.0000%
	After 4/25/2014	0.0843%
2015	On or before 4/25/2014	0.0000%
	After 4/25/2014	0.3288%
2016	On or before 4/25/2014	0.0000%
	After 4/25/2014	0.7851%
2017	On or before 4/25/2014	0.0000%
	After 4/25/2014 and on or before 5/8/2016	2.0197%
	After 5/8/2016	2.8628%
2018	On or before 4/25/2014	0.0000%
	After 4/25/2014 and on or before 5/8/2016	2.6823%
	After 5/8/2016	4.0683%
2019	On or before 4/25/2014	0.0000%
	After 4/25/2014 and on or before 5/8/2016	2.3196%
	After 5/8/2016	3.9141%
2020	On or before 4/25/2014	0.0000%
	After 4/25/2014 and on or before 5/8/2016	2.2040%
	After 5/8/2016	3.8011%
2021	After 4/25/2014 and on or before 5/8/2016	2.2672%
	After 5/8/2016	3.9284%

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(b) For all Compliance Years subsequent to 2021 the Minimum Standard for the Solar Carve-out II shall be announced by the Department not later than August 31 of the preceding Compliance Year and shall be determined by the Department after calculating a compliance obligation as equal to the sum of the following quantities of generated and projected SREC IIs:

1. Installed SREC II Supply: For all Solar Carve-out II Renewable Generation Units installed at the time of the determination, the Department shall project the Compliance Year generation of SREC IIs based on assigned SREC Factors.

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2. Qualified but not Installed SREC II Supply: For all Solar Carve-out II Renewable Generation Units that have received Statements of Qualification as Solar Carve-out II Renewable Generation Units from the Department, but whose Commercial Operation Dates have not yet been reached, the Department shall project the Compliance Year generation of SREC IIs based on assigned SREC Factors and expected Commercial Operation Dates.

3. Projected New Supply: The Department shall provide a projection of SREC II supply in Compliance Year from new installations that have not yet received Statements of Qualification based on prior growth trends by market sectors and all other available information.

4. Rollover Volume: The volume of SREC IIs generated in the Compliance Year two and three years prior to the Compliance Year for which the compliance obligation is being calculated that remain available for compliance, including each of the following:

a. re-minted auction-II account Generation Attributes as established in 225 CMR 14.05(9)(e) and (g); and

b. banked Solar Carve-out II Renewable Generation Attributes as allowed in 225 CMR 14.08(2).

5. Third Round Auction Volume Doubling. In the case of a third round Solar Credit Clearinghouse Auction-II under 225 CMR 14.05(9)(g), the volume of SREC IIs deposited into the Solar Credit Clearinghouse Auction II Account in the Compliance Year two years prior to the Compliance Year for which the compliance obligation is being calculated, as prescribed by 225 CMR 14.07(3)(d).

(c) Compliance Exemptions for Retail Load Served under Existing Contracts. The following methodologies will be used to calculate the compliance obligations and resulting Minimum Standards that apply to electrical energy sales that were subject to contracts executed or extended prior to certain dates as prescribed in 225 CMR 14.07(3)(c)1. through 2. These provisions apply only if the Retail Electric Supplier provides documentation, satisfactory to the Department, identifying the terms of such contracts including but not limited to, the execution and expiration dates of the contract and the annual volume of electrical energy supplied.

1. Minimum Standard for Retail Load Served under Contracts Executed on or Before April 25, 2014. There shall be no Solar Carve-out II Minimum Standard applied to Retail Electric Suppliers for that portion of electrical energy sales that were subject to a contract executed or extended prior to April 25, 2014.

2. Minimum Standard for Retail Load Served under Contracts Executed After April 25, 2014 and on or Before May 8, 2016. The Solar Carve-out II

2125 Minimum Standard applied to Retail Electric Suppliers for that portion of  
2126 electrical energy sales that were subject to a contract executed or extended  
2127 after April 25, 2014 and on or before May 8, 2016 shall be calculated based on  
2128 a compliance obligation calculated per 225 CMR 14.07(3)(b) as if the  
2129 combined Solar Carve-out Program Capacity Cap and Solar Carve-out II  
2130 Program Capacity Cap were 1,600 MW.

2131  
2132 (d) In the instance the Solar Credit Clearinghouse Auction-II under 225 CMR  
2133 14.05(9)(g) does not clear, prior to conducting an auction under 225 CMR  
2134 14.05(9)(h), the Department shall recalculate the Solar Carve-out II Minimum  
2135 Standard for the Compliance Year two years following the Compliance Year in  
2136 which the SREC IIs deposited into the Solar Credit Clearinghouse Auction-II  
2137 Account were generated. This recalculation shall add to the previously calculated  
2138 total compliance obligation under 225 CMR 14.07(3)(b)1. through 4. the number  
2139 of SREC IIs deposited into the Solar Credit Clearinghouse Auction-II Account.

2140  
2141 (e) The Department shall publish on its website a Guideline that provides clear and  
2142 precise methodologies by which it will calculate each of the quantities in 225 CMR  
2143 14.07(3)(b), and the compliance obligation. The Department shall maintain within  
2144 this Guideline up-to-date publicly available data that serve as input into these  
2145 calculations.

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2149 (f) Compliance Year 2027 shall be the final Compliance Year of the Solar Carve-  
2150 out II program. In the event that a Solar Credit Clearinghouse Auction-II is held  
2151 for Compliance Year 2026 or 2027 and creates SREC IIs that can be used for  
2152 Compliance Years after 2027, the Department shall extend the final Compliance  
2153 Year by one additional Compliance Year to 2028 or 2029, respectively. The  
2154 compliance obligation for any additional Compliance Year will be equal to the  
2155 number of Solar Carve-out II Renewable Energy Generation Attributes deposited  
2156 into the Solar Credit Clearinghouse Auction-II account plus the number of  
2157 remaining SREC IIs and banked SREC IIs that have not been used for meeting any  
2158 prior compliance obligation. The Solar Carve-out II Minimum Standard shall be  
2159 set to zero for the year after this additional Compliance Year, unless a second  
2160 additional Compliance Year is required.

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2162 (g) In the event that there is an additional Compliance Year added as a result of an  
2163 auction in the final Compliance Year, Solar Carve-out II Renewable Energy  
2164 Generation Attributes shall cease to exist as of the start of the additional  
2165 Compliance Year, and all generation from qualified Solar Carve-out II Generation  
2166 Units shall produce RPS Class I Generation Attributes only.

2167  
2168 (h) In the event that there is no additional Compliance Year added as the result of  
2169 an auction in the final two Compliance Years, the Department shall set the Solar  
2170 Carve-out II Minimum Standard to zero for the year after the final Compliance

2171 Year. From this time forward, Solar Carve-out II Renewable Energy Generation  
2172 Attributes shall cease to exist, and all generation from qualified Solar Carve-out II  
2173 Renewable Generation Units shall produce RPS Class I Renewable Energy  
2174 Attributes only.  
2175

2176 14.08: Compliance Procedures for Retail Electricity Suppliers  
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2178 (1) Standard Compliance. Each Retail Electricity Supplier shall be deemed to be in  
2179 compliance with 225 CMR 14.00 if the information provided in the Compliance Filing  
2180 submitted pursuant to 225 CMR 14.09 is true and accurate and demonstrates  
2181 compliance with 225 CMR 14.07. A Retail Electricity Supplier shall demonstrate to  
2182 the satisfaction of the Department that RPS Class I Renewable Generation Attributes,  
2183 Solar Carve-out Renewable Generation Attributes, or Solar Carve-out II Renewable  
2184 Generation Attributes used for compliance have not otherwise been, nor will be, sold,  
2185 retired, claimed, used or represented as part of electrical energy output or sales, or  
2186 used to satisfy obligations in jurisdictions other than Massachusetts.  
2187

2188 (2) Banked Compliance. A Retail Electricity Supplier may use RPS Class I Renewable  
2189 Generation Attributes, Solar Carve-out Renewable Generation Attributes, or Solar  
2190 Carve-out II Renewable Generation Attributes produced in one Compliance Year for  
2191 compliance in either or both of the two subsequent Compliance Years, subject to the  
2192 limitations in 225 CMR 14.08(2) and provided that the Retail Electricity Supplier is  
2193 in compliance with 225 CMR 14.00 for all previous Compliance Years. In addition,  
2194 the Retail Electricity Supplier shall demonstrate to the satisfaction of the Department  
2195 that such Attributes:  
2196

2197 (a) were in excess of the RPS Class I Renewable Generation Attributes, Solar  
2198 Carve-out Renewable Generation Attributes, or Solar Carve-out II Renewable  
2199 Generation Attributes needed for compliance in the Compliance Year in which  
2200 they were generated, and that such excess Attributes have not previously been used  
2201 for compliance with 225 CMR 14.00;  
2202

2203 (b) do not exceed 30% of the RPS Class I Renewable Generation Attributes or do  
2204 not exceed 10% of the Solar Carve-out Renewable Generation Attributes or Solar  
2205 Carve-out II Renewable Generation Attributes needed by the Retail Electricity  
2206 Supplier for compliance with the RPS Class I Minimum Standard, the Solar Carve-  
2207 out Minimum Standard, or the Solar Carve-out II Minimum Standard,  
2208 respectively, in the year they were generated, subject to 225 CMR 14.09(2)(d);  
2209

2210 (c) were produced during the Compliance Year in which they are claimed as excess  
2211 by the generation of electrical energy sold to End-use Customers in the ISO-NE  
2212 Control Area, by the generation of electrical energy on End-use Customers' sides  
2213 of retail meters in the ISO-NE Control Area, or by the generation of electrical  
2214 energy from Off-grid Generation Units in Massachusetts; and  
2215

2216 (d) have not otherwise been, nor will be, sold, retired, claimed or represented as  
2217 part of electrical energy output or sales, or used to satisfy obligations in  
2218 jurisdictions other than Massachusetts.  
2219

2220 (3) Alternative Compliance. A Retail Electricity Supplier may discharge its  
2221 obligations under 225 CMR 14.07, in whole or in part, for any Compliance Year by  
2222 making an Alternative Compliance Payment (ACP) to the MassCEC. Such funds shall  
2223 be held in an account separate from other accounts of the MassCEC.  
2224

2225 (a) RPS Class I Procedures. A Retail Electricity Supplier shall receive Alternative  
2226 Compliance Credits from the Department, subject to the following:  
2227

2228 1. The quantity of Alternative Compliance Credits, specified in MWhs, that  
2229 can be applied to its obligations under 225 CMR 14.07(1) shall be determined  
2230 by calculating the ratio of the total of ACPs paid for the Compliance Year to  
2231 the ACP Rate for that Compliance Year.  
2232

2233 2. The ACP Rate for the RPS Class I Minimum Standard shall be \$50 per MWh  
2234 for Compliance Year 2003. For each subsequent Compliance Year, the  
2235 Department shall publish the ACP Rate by January 31 of the Compliance Year.  
2236 The ACP Rate shall be equal to the previous year's ACP Rate adjusted up or  
2237 down according to the previous year's Consumer Price Index, but shall be \$60  
2238 per MWh in Compliance Year beginning in 2021, \$50 per MWh in  
2239 Compliance Year 2022, and \$40 per MWh, beginning in Compliance Year  
2240 2023. The following table reflects the ACP Rates in effect from 2003 through  
2241 2020:  
2242

<b>Compliance Year</b>	<b>ACP Rate per MWh</b>
2003	\$50.00
2004	\$51.41
2005	\$53.19
2006	\$55.13
2007	\$57.12
2008	\$58.58
2009	\$60.92
2010	\$60.93
2011	\$62.13
2012	\$64.02
2013	\$65.27
2014	\$66.16
2015	\$67.07
2016	\$66.99
2017	\$67.70
2018	\$68.95



2019	\$70.44
2020	\$71.57

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3. The Retail Electricity Supplier shall include with its Annual Compliance Filing copies of any ACP receipt(s) for ACPs made to the MassCEC for the Compliance Year.

(b) Solar Carve-out Renewable Generation Procedures. A Retail Electricity Supplier shall receive solar carve-out Alternative Compliance Credits from the Department, subject to the following:

1. The quantity of solar carve-out Alternative Compliance Credits, specified in MWhs, that can be applied to its obligations under 225 CMR 14.07(2) shall be determined by calculating the ratio of the total of solar carve-out ACPs paid for the Compliance Year to the solar carve-out ACP Rate for that Compliance Year.

2. The ACP Rate for the Solar Carve-out Minimum Standard shall be set annually according to the following schedule:

<b>Compliance Year</b>	<b>ACP Rate per MWh</b>
2010	\$600
2011	\$550
2012	\$550
2013	\$550
2014	\$523
2015	\$496
2016	\$472
2017	\$448
2018	\$426
2019	\$404
2020	\$384
2021	\$365
2022	\$347
2023	\$330
2024 (if necessary)	\$330
2025 (if necessary)	\$330

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3. The Retail Electricity Supplier shall include with its Annual Compliance Filing copies of any ACP receipt(s) for solar carve-out ACPs made to the MassCEC for the Compliance Year.

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(c) Solar Carve-out II Renewable Generation Procedures. A Retail Electricity Supplier shall receive solar carve-out II Alternative Compliance Credits from the Department, subject to the following:

1. The quantity of solar carve-out II Alternative Compliance Credits, specified in MWhs, that can be applied to its obligations under 225 CMR 14.07(3) shall be determined by calculating the ratio of the total of solar carve-out II ACPs paid for the Compliance Year to the solar carve-out II ACP Rate for that Compliance Year.

2. The ACP Rate for the Solar Carve-out II Minimum Standard shall be set annually according to the following schedule:

<b>Compliance Year</b>	<b>ACP Rate per MWh</b>
2014	\$375
2015	\$375
2016	\$350
2017	\$350
2018	\$350
2019	\$333
2020	\$316
2021	\$300
2022	\$285
2023	\$271
2024	\$257
2025	\$244
2026	\$232
2027	\$220
2028 (if necessary)	\$209
2029 (if necessary)	\$199

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(d) Use of Funds. The Department shall oversee the use of ACP funds by the MassCEC, so as to:

1. further the commercial development of RPS Class I Renewable Generation Units, Solar Carve-out Renewable Generation Units, and Solar Carve-out II Renewable Generation Units; or

2. promote projects or activities that reduce greenhouse gas emissions or ratepayer costs through electric load reduction, peak demand reduction, or strategic electrification.

(4) Financial Security Requirements for Retail Electricity Suppliers. A Retail Electricity Supplier that is not a Distribution Company must provide by January 31 of each compliance year evidence of financial security that:

- 2295  
2296 (a) is in the form of a surety bond or other financial instrument showing evidence  
2297 of liquid funds, such as a certificate of deposit, an irrevocable letter of credit, a  
2298 line of credit, a loan or a guarantee;  
2299  
2300 (b) is the greater of:  
2301  
2302 1. \$100,000;  
2303  
2304 2. 20% of the Retail Electricity Supplier's estimated gross receipts for its first  
2305 full year of operation; or  
2306  
2307 3. 20% of the Retail Electricity Supplier's actual gross receipts for the  
2308 preceding year of operation, not including revenue from the provision of basic  
2309 service, for any year after the first year of operation;  
2310  
2311 (c) does not exceed \$1,000,000;  
2312  
2313 (d) names the Department as beneficiary, obligee, or guaranteed party, as  
2314 applicable and specifies that a notice of default issued under 225 CMR 14.12(5)  
2315 or 225 CMR 15.12(5) shall be sufficient grounds to withdraw or obtain funds from  
2316 the surety;  
2317  
2318 (e) has an expiration date not less than one year; and  
2319  
2320 (f) shall be adjusted annually, if based upon actual or estimated gross receipts,  
2321 under 225 CMR 14.08(4)(b)1 or 2.  
2322

2323 14.09: Annual Compliance Filings for Retail Electricity Suppliers  
2324

- 2325 (1) Date of Annual Compliance Filing. For each Compliance Year, the Retail  
2326 Electricity Supplier annually shall file an annual Compliance Filing with the  
2327 Department no later than the first day of July, or the first Business Day thereafter, of  
2328 the subsequent Compliance Year.  
2329  
2330 (2) Contents of Annual Compliance Filing. For each Retail Electricity Product, the  
2331 Filing shall document compliance with the provisions of 225 CMR 14.07 and 14.08  
2332 to the satisfaction of the Department and shall include, but not be limited to, the  
2333 following:  
2334  
2335 (a) Total Electrical Energy Sales to End-use Customers. Documentation of the  
2336 total MWhs of electrical energy allocated by the Retail Electricity Supplier to End-  
2337 use Customers in the Compliance Year. Such allocation is defined as the total  
2338 quantity of the Supplier's Certificates Obligation that the Supplier correctly  
2339 allocated or should have allocated to all of the Supplier's Massachusetts retail  
2340 subaccounts in the NEPOOL GIS, in compliance with all relevant provisions of

2341 Part 4 of the NEPOOL GIS Operating Rules, or any successor rules, as specified  
2342 in the Guideline on the Determination of Sales to End-use Customers.  
2343

2344 (b) Electrical Energy Sales to End-use Customers by Product. Documentation of  
2345 the total MWhs of each Retail Electricity Product allocated to End-use Customers  
2346 in the Compliance Year, verified by an independent third party satisfactory to the  
2347 Department, consistent with the Guidelines. Such allocation is defined as the  
2348 quantity of the Supplier's Certificates Obligation that the Supplier correctly  
2349 allocated or should have allocated to each of the Supplier's Massachusetts retail  
2350 subaccounts at the NEPOOL GIS, in compliance with all relevant provisions of  
2351 Part 4 of the NEPOOL GIS Operating Rules, or any successor rules, as specified  
2352 in the Guideline on the Determination of Sales to End-use Customers. The  
2353 Department shall keep product information confidential to the extent permitted by  
2354 law.  
2355

2356 (c) Attributes Allocated from the Compliance Year. Documentation of the total  
2357 MWhs of each Retail Electricity Product allocated to End-use Customers that were  
2358 derived from RPS Class I Renewable Generation, Solar Carve-out Renewable  
2359 Generation, and Solar Carve-out II Renewable Generation during the Compliance  
2360 Year, and which may include electrical energy generated on End-use Customers'  
2361 sides of retail meters in the ISO-NE Control Area or by Off-grid Generation Units  
2362 in Massachusetts in the Compliance Year, as follows:  
2363

2364 1. For electrical energy transactions included in the ISO-NE Settlement Market  
2365 System, the Compliance Filings shall include documentation from the  
2366 NEPOOL GIS administrator of the Retail Electricity Supplier's ownership of  
2367 GIS Certificates representing RPS Class I Renewable Generation, Solar Carve-  
2368 out Renewable Generation, and Solar Carve-out II Renewable Generation  
2369 during the Compliance Year.  
2370

2371 2. For electrical energy transactions not included in the ISO-NE Settlement  
2372 Market System, but for which the Retail Electricity Supplier has secured GIS  
2373 Certificates from the NEPOOL GIS, the Compliance Filings shall include  
2374 documentation from the NEPOOL GIS of the Retail Electricity Supplier's  
2375 ownership of GIS Certificates representing RPS Class I Renewable  
2376 Generation, Solar Carve-out Renewable Generation, and Solar Carve-out II  
2377 Renewable Generation during the Compliance Year.  
2378

2379 (d) Attributes Allocated from Banked Compliance. Allocation by Retail Electricity  
2380 Product of any quantity of RPS Class I Renewable Generation Attributes banked  
2381 from one or both of the two previous years pursuant to 225 CMR 14.08(2) that are  
2382 used to demonstrate compliance with the RPS Class I Minimum Standard in the  
2383 current Compliance Year, and allocation by Retail Electricity Product of any  
2384 quantity of Solar Carve-out Renewable Generation Attributes banked from one or  
2385 both of the two previous years pursuant to 225 CMR 14.08(2) that are used to  
2386 demonstrate compliance with the Solar Carve-out Minimum Standard or the RPS

2387 Class I Minimum Standard in the current Compliance Year, and allocation by  
2388 Retail Electricity Product of any quantity of Solar Carve-out II Renewable  
2389 Generation Attributes banked from one or both of the two previous years pursuant  
2390 to 225 CMR 14.08(2) that are used to demonstrate compliance with the Solar  
2391 Carve-out II Minimum Standard or the RPS Class I Minimum Standard in the  
2392 current Compliance Year;

2393  
2394 (e) Alternative Compliance Credits. Allocation by Retail Electricity Product of  
2395 any Alternative Compliance Credits claimed pursuant to 225 CMR 14.08(3)(a),  
2396 along with a copy of any Alternative Compliance Payment receipt(s), and  
2397 allocation by Retail Electricity Product of any solar carve-out Alternative  
2398 Compliance Credits claimed pursuant to 225 CMR 14.08(3)(b), along with a copy  
2399 of any solar carve-out Alternative Compliance Payment receipt(s), and allocation  
2400 by Retail Electricity Product of any solar carve-out II Alternative Compliance  
2401 Credits claimed pursuant to 225 CMR 14.08(3)(c), along with a copy of any solar  
2402 carve-Out II Alternative Compliance Payment receipt(s); and

2403  
2404 (f) Attributes Banked for Future Compliance. Identification of any quantity of  
2405 Attributes from RPS Class I Renewable Generation, Solar Carve-out Renewable  
2406 Generation, or Solar Carve-out II Renewable Generation, that the Retail Electricity  
2407 Supplier anticipates claiming for purposes of Banked Compliance in subsequent  
2408 years under the Banked Compliance provisions of 225 CMR 14.08(2).

2409  
2410 (g) Contracts Subject to Lower ACP Rate under 225 CMR 14.08(3)(b)(3).  
2411 Identification of any contract for a specific term of years that was executed before  
2412 January 1, 2010, and its terms, including but not limited to, the execution and  
2413 expiration dates of the contract and the annual volume of electrical energy  
2414 supplied. Contracts eligible for the Lower ACP Rate shall include only those  
2415 contracts that were executed by a retail End-use Customer.

2416  
2417 14.10: Reporting Requirements

2418  
2419 (1) Certification. Any person required by 225 CMR 14.00 to submit documentation to  
2420 the Department shall provide:

2421  
2422 (a) the person's name, title and business address;

2423  
2424 (b) the person's authority to certify and submit the documentation to the  
2425 Department; and

2426  
2427 (c) the following certification: "I hereby certify, under the pains and penalties of  
2428 perjury, that I have personally examined and am familiar with the information  
2429 submitted herein and based upon my inquiry of those individuals immediately  
2430 responsible for obtaining the information, I believe that the information is true,  
2431 accurate, and complete. I am aware that there are significant penalties, both civil

2432 and criminal, for submitting false information, including possible fines and  
2433 imprisonment."

2434  
2435 (2) Annual Renewable Energy Resource Report. The Department shall produce and  
2436 make available to the public an annual report that summarizes information submitted  
2437 to the Department by Retail Electricity Suppliers in the Annual Compliance Filings  
2438 submitted to the Department pursuant to 225 CMR 14.09(2). Such report shall include  
2439 non-confidential data that provides the following:

2440  
2441 (a) the extent to which the Retail Electric Suppliers complied with the RPS Class  
2442 I Minimum Standard, the Solar Carve-out Minimum Standard, and Solar Carve-  
2443 out II Minimum Standard, both separately and combined; and  
2444

2445 (b) the extent to which the Retail Electric Suppliers used Standard Compliance,  
2446 Banked Compliance, and Alternative Compliance in meeting the Minimum  
2447 Standards.  
2448

2449 (3) Identification of Renewable Generation Units, RPS Class I Generation Units, Solar  
2450 Carve-out Renewable Generation Units, and Solar Carve-out II Renewable Generation  
2451 Units. The Department shall inform the NEPOOL GIS administrator which  
2452 Generation Units should be designated as Renewable Generation Units, RPS Class I  
2453 Generation Units, Solar Carve-out Renewable Generation Units, and Solar Carve-out  
2454 II Renewable Generation Units pursuant to 225 CMR 14.00.  
2455

2456 14.11: Inspection  
2457

2458 (1) Document Inspection. The Department may audit the accuracy of all information  
2459 submitted pursuant to 225 CMR 14.00. The Department may request and obtain from  
2460 any Owner, Operator or Authorized Agent of an RPS Class I Renewable Generation  
2461 Unit or a Solar Carve-out Renewable Generation Unit or a Solar Carve-out II  
2462 Renewable Generation Unit, including Aggregations, and from any Retail Electricity  
2463 Supplier information that the Department determines necessary to monitor compliance  
2464 with and enforcement of 225 CMR 14.00.  
2465

2466 (2) Audit and Site Inspection. Upon reasonable notice to a Retail Electricity Supplier  
2467 or to an RPS Class I Renewable Generation Unit, Solar Carve-out Renewable  
2468 Generation Unit, or Solar Carve-out II Renewable Generation Unit Owner, Operator  
2469 or Authorized Agent, the Department may conduct audits, which may include  
2470 inspection and copying of records and/or site visits to an RPS Class I Renewable  
2471 Generation Unit, Solar Carve-out Renewable Generation Unit, Solar Carve-out II  
2472 Renewable Generation Unit, or a Retail Electricity Supplier's facilities, including, but  
2473 not limited to, all files and documents that the Department determines are related to  
2474 compliance with 225 CMR 14.00.  
2475

2476 14.12: Non-compliance  
2477

2478 Any Retail Electricity Supplier or Owner, Operator or Authorized Agent of a RPS Class  
2479 I Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, Solar Carve-  
2480 out II Renewable Generation Unit or Aggregation that fails to comply with the  
2481 requirements of 225 CMR 14.00 shall be subject to the provisions in 225 CMR 14.12(1)  
2482 through (4).  
2483

2484 (1) Notice of Non-compliance. A failure to comply with the requirements of 225 CMR  
2485 14.00 shall be determined by the Department. A written Notice of Non-compliance  
2486 shall be prepared and delivered by the Department to any Retail Electricity Supplier  
2487 or Owner, Operator or Authorized Agent of an RPS Class I Renewable Generation  
2488 Unit, Solar Carve-out Renewable Generation Unit, or Solar Carve-out II Renewable  
2489 Generation Unit or Aggregation that fails to comply with the requirements of 225  
2490 CMR 14.00. The Notice of Non-compliance shall describe the Requirement(s) with  
2491 which the Retail Electricity Supplier, Owner, Operator or Authorized Agent failed to  
2492 comply and the time period of such non-compliance.  
2493

2494 (2) Publication of Notice of Non-compliance. A Notice of Non-compliance may be  
2495 published on the Department's website and in any other media deemed appropriate by  
2496 the Department. Such publication may remain posted until the Retail Electricity  
2497 Supplier or Owner, Operator or Authorized Agent returns to compliance as determined  
2498 by the Department.  
2499

2500 (3) Planning Requirement. A Retail Electricity Supplier that fails to meet the  
2501 requirements of 225 CMR 14.07 during a Compliance Year shall submit a plan for  
2502 achieving compliance for the subsequent three years. The plan shall be filed with the  
2503 Department no later than the first day of September of the Compliance Year  
2504 subsequent to the Compliance Year for which the Retail Electricity Supplier was out  
2505 of compliance or such date as the Department may specify.  
2506

2507 (4) Suspension or Revocation of License. The Department shall refer its findings of  
2508 noncompliance to the Massachusetts Department of Public Utilities. A Retail  
2509 Electricity Supplier that fails to comply with 225 CMR 14.00 may be subject to the  
2510 Massachusetts Department of Public Utilities Licensure Action under 220 CMR  
2511 11.07(4)(c)1.  
2512

2513 (5) Collection of Financial Security. In the event that a Retail Electricity Supplier fails  
2514 to discharge its annual obligation by September 1<sup>st</sup> under 225 CMR 14.07, 225 CMR  
2515 15.07, or 225 CMR 16.07 by the means described in 225 CMR 14.08(1) through (3),  
2516 225 CMR 15.08(1) through (4), or 225 CMR 16.08(1) through (3), the Department  
2517 will notify the Retail Electricity Supplier that it must provide the Department with a  
2518 payment using the financial security of which it provided evidence the prior January  
2519 31<sup>st</sup>, pursuant to 225 CMR 14.08(4), unless a Retail Electricity Supplier has an  
2520 approved alternative payment plan to discharge its annual obligations in full that has  
2521 been approved by the Department prior to September 1<sup>st</sup>. The payment shall, within  
2522 30-days of notification by the Department, be deposited into the Alternative

2523 Compliance Payment fund established in 225 CMR 14.08(3) and shall be in an amount  
2524 equal to the lesser of:

2525  
2526 (a) the amount of Alternative Compliance Payments that the Retail Electricity  
2527 Supplier must make in order to discharge its annual obligation under 225 CMR  
2528 14.07, 225 CMR 15.07, or 225 CMR 16.07 in full; or

2529  
2530 (b) the full amount of the financial security.

2531  
2532 (6) Partial Compliance. In the event that the collection of financial security under 225  
2533 CMR 14.12(5) results in the collection of an amount of Alternative Compliance  
2534 Payments that is insufficient to discharge a Retail Electricity Supplier's full annual  
2535 obligations under 225 CMR 14.07, 225 CMR 15.07, or 225 CMR 16.07, the Retail  
2536 Electricity Supplier will remain in a state of non-compliance, and the Department will  
2537 take the necessary actions to document and enforce this non-compliance, pursuant to  
2538 225 CMR 14.12(1) through (4), 225 CMR 15.12(1) through (4), and 225 CMR  
2539 16.12(1) through (4).

2540  
2541 (7) The Department reserves all rights to take any and all appropriate actions to ensure  
2542 the collection of all Alternative Compliance Payments owed to ensure annual  
2543 compliance obligations are fully discharged by a Retail Electricity Supplier, including,  
2544 but not limited to, filing a petition with the Department of Public Utilities requesting  
2545 an investigation into a supplier that is deemed to be in non-compliance by the  
2546 Department.

2547  
2548 14.13: Severability

2549  
2550 If any provision of 225 CMR 14.00 is declared invalid, such invalidity shall not affect  
2551 other provisions or applications that can be given effect without the invalid provision or  
2552 application.

2553  
2554 REGULATORY AUTHORITY

2555  
2556 225 CMR 14.00: M.G.L. c. 25A, § 11F.

2557  
2558 **225 CMR 15.00 RENEWABLE ENERGY PORTFOLIO STANDARD – CLASS II**

2559  
2560 Section

- 2561  
2562 15.01: Authority  
2563 15.02: Definitions  
2564 15.03: Administration  
2565 15.04: Applicability  
2566 15.05: Eligibility Criteria for RPS Class II Renewable Generation Units  
2567 15.06: Qualification Process for RPS Class II Renewable Generation Units  
2568 15.07: Renewable Energy Portfolio Standard



- 2569 15.08: Compliance Procedures for Retail Electricity Suppliers
- 2570 15.09: Annual Compliance Filings for Retail Electricity Suppliers
- 2571 15.10: Reporting Requirements
- 2572 15.11: Inspection
- 2573 15.12: Non-compliance
- 2574 15.13: Severability

2575  
2576 15.01: Authority

2577  
2578 225 CMR 15.00 is promulgated pursuant to M.G.L. c. 25A, § 11F.

2579  
2580 15.02: Definitions

2581  
2582 Aggregation. A group of one or more Generation Units that receives a single  
2583 Statement of Qualification from the Department under criteria and procedures set forth  
2584 in 225 CMR 15.05(4).

2585  
2586 Alternative Compliance Credit. A credit obtained by a Retail Electricity Supplier  
2587 upon making an Alternative Compliance Payment. Such credit is used to document  
2588 compliance with 225 CMR 15.07. One unit of credit shall be equivalent to the RPS  
2589 Class II Renewable Generation Attribute associated with one MWh of electrical  
2590 energy output from an RPS Class II Renewable Generation Unit, excluding Waste  
2591 Energy Generation Units, and one unit of credit shall be equivalent to the RPS Class  
2592 II Waste Energy Generation Attribute associated with one MWh of electrical energy  
2593 output from an RPS Class II Waste Energy Generation Unit.

2594  
2595 Alternative Compliance Payment (ACP). A payment of a certain dollar amount per  
2596 MWh, resulting in the issuance of Alternative Compliance Credits, which a Retail  
2597 Electricity Supplier may submit to the Department in lieu of providing RPS Class II  
2598 Renewable Generation Attributes or RPS Class II Waste Energy Generation Attributes  
2599 required under 225 CMR 15.07.

2600  
2601 Biomass Fuel Certificate. A certificate issued in accordance with rules established by  
2602 the Department in the Biomass Eligibility and Certificate *Guideline* that

- 2603 (a) represents one ton, equal to 2000 pounds, of supply of Eligible Biomass
- 2604 Woody Fuel
- 2605 (b) specifies the source of the wood; and
- 2606 (c) specifies the woods eligibility as Forest Derived Residues, Forest Derived
- 2607 Thinnings, Forest Salvage, Non-Forest Derived Residues, or Dedicated Energy
- 2608 Crops.

2609 For Forest Derived Residues and Forest Derived Thinnings, the Certificate shall  
2610 reference the relevant Eligible Forest Biomass Tonnage Report, and include any  
2611 additional information deemed necessary by the Department.

2612  
2613 Biomass Input Heat Content. The thermal energy content, measured in MWh, of  
2614 biomass fuel as it is input into a Generation Unit over a period of time. For the purpose

2615 of wood chips, the value will be determined using a methodology provided by the  
2616 Department in the Overall Efficiency and Greenhouse Gas Analysis Guideline. The  
2617 methodology includes a weighted average of all the metered weight of utilized  
2618 biomass fuel types (as differentiated by typical moisture content), and an assigned  
2619 heat content from referenced literature to each biomass type. For processed biomass  
2620 fuels, the thermal energy content shall be documented to the satisfaction of the  
2621 Department by an independent testing laboratory.

2622  
2623 Blended Fuel. A liquid or gaseous fuel that is blended from both Eligible RPS Class  
2624 II Renewable Fuel(s) and ineligible fuel(s), a portion of whose electrical energy output  
2625 may qualify as RPS Class II Renewable Generation under criteria set forth in 225  
2626 CMR 15.05(2).

2627  
2628 Business Day. A business day shall mean Monday through Friday, exclusive of state  
2629 and federal legal holidays.

2630  
2631 Certificates Obligation. A term defined in the NEPOOL GIS Operating Rules at Rule  
2632 4.1(b), or any successor rule.

2633  
2634 Co-Mingled Biomass Woody Fuel. Any woody biomass fuel, that is clean and devoid  
2635 of non-woody biomass, paints, stains or other contaminants, and fossil fuel derived  
2636 materials, and which is physically co-mingled or mixed with Eligible Biomass Woody  
2637 Fuel.

2638  
2639 Commercial Operation Date. The date that a Generation Unit first produced electrical  
2640 energy for sale within the ISO-NE Control Area or within an adjacent Control Area.  
2641 In the case of a Generation Unit that is connected to the End-use Customer's side of  
2642 the electric meter or produces Off-grid Generation, the date that such Generation Unit  
2643 first produced electrical energy.

2644  
2645 Compliance Filing. A document filed annually by a Retail Electricity Supplier with  
2646 the Department documenting compliance with 225 CMR 15.07, consistent with the  
2647 format set forth in the Guidelines and submitted no later than the first day of July, or  
2648 the first Business Day thereafter, of the subsequent Compliance Year.

2649  
2650 Compliance Year. A calendar year beginning January 1 and ending December 31, for  
2651 which a Retail Electricity Supplier must demonstrate that it has met the requirements  
2652 of 225 CMR 15.07 and 15.08.

2653  
2654 Control Area. A geographic region in which a common generation control system is  
2655 used to maintain scheduled interchange of electrical energy within and without the  
2656 region.

2657  
2658 Current Use Program. A state administered program that permits a property owner to  
2659 have a

2660 parcel of land taxed at a rate based on the current use of the land including but not  
2661 limited to open space, active forestry, or agriculture as opposed to the fair market or  
2662 development value of the property.

2663  
2664 DCR. The Massachusetts Department of Conservation and Recreation (DCR)  
2665 established by M.G.L. c. 21 § 1.

2666  
2667 Department. The Massachusetts Department of Energy Resources (DOER)  
2668 established by M.G.L. c. 25A, § 1.

2669  
2670 Distribution Company. A distribution company as defined in M.G.L. c. 164 § 1.

2671  
2672 Eligible Biomass Fuel. Fuel sources consisting of Eligible Biomass Woody Fuel, Co-  
2673 Mingled Biomass Woody Fuel, Manufactured Biomass Fuel; by-products or waste  
2674 from animals or agricultural crops; food or vegetative material; algae; organic refuse-  
2675 derived fuel; anaerobic digester gas and other biogases that are derived from such  
2676 resources; and neat Eligible Liquid Biofuel that is derived from such fuel sources; but  
2677 shall not include Construction and Demolition Waste as defined in 310 CMR 19.006:  
2678 Construction and Demolition Waste (C&D).

2679  
2680 Eligible Biomass Woody Fuel. Woody fuels that are derived from the following  
2681 sources, consistent with the requirements of 225 CMR 15.05(5):

2682 (a) Forest Derived Residues:

- 2683 1. Tops, crooks, and other portions of trees produced as a byproduct during  
2684 the normal course of harvesting material, such as timber, pulpwood, or  
2685 cordwood.
- 2686 2. Other woody vegetation that interferes with regeneration or the natural  
2687 growth of the forest, limited to locally invasive native species and non-  
2688 native invasive woody vegetation.

2689 (b) Forest Derived Thinnings:

- 2690 1. Unacceptable growing stock which is defined as trees considered  
2691 structurally weak or have low vigor and do not have the potential to  
2692 eventually yield a 12 foot sawlog or survive for at least the next ten years.
- 2693 2. Trees removed during thinning operations, the purpose of which is to  
2694 reduce stand density and enhance diameter growth and volume of the  
2695 residual stand.

2696 (c) Forest Salvage: Damaged, dying, or dead trees removed due to injurious agents,  
2697 such as wind or ice storms or the spread of invasive epidemic forest pathogens,  
2698 insects, and diseases or other epidemic biological risks to the forest, but not  
2699 removed due to competition. Such eligible trees may be removed without limitation  
2700 for biomass fuel, only if a major threat to forest health or risk to private or public  
2701 resources, and if the USDA Animal Health and Plant Inspection Service (APHIS),  
2702 the USDA Forest Service, or appropriate federal or state governmental agency has  
2703 issued a declaration, rule, or order declaring a major threat to forest health or risk  
2704 to private or public resources. Forest Salvage also includes trees removed to reduce  
2705 fire hazard within Fire-adapted Forest Ecosystems, as certified by a letter to the

2706 Department from the state agency responsible for forestry in consultation with the  
2707 appropriate environmental state agencies.

2708 (d) Non-Forest Derived Residues:

- 2709 1. Primary Forest Products Industry: Lumber mill residues or lumber  
2710 processing residues consisting of the slabs, shavings, trimmings,  
2711 sawdust, bark, end pieces of wood, and log cores that result from the  
2712 various processing operations occurring in sawmills, pulp mills, and  
2713 veneer and plywood plants.
- 2714 2. Secondary forest products industry: Wood Waste produced as a  
2715 byproduct of the production of finished wood products, including but not  
2716 limited to clean residues from woodworking shops, furniture factories,  
2717 and truss and pallet manufacturing.
- 2718 3. Land Use Change – Non-agricultural: Trees cut or otherwise removed  
2719 in the process of converting forest land to non-forest and non-agricultural  
2720 uses provided that such development has already received all applicable  
2721 state and local permits for the development.
- 2722 4. Land Use Change – Agricultural: Trees cut or otherwise removed in the  
2723 process of converting forest land to agricultural usage, either for new or  
2724 restored farm land.
- 2725 5. Yard Waste: Leaves, grass clippings, prunings, and other natural organic  
2726 matter discarded from yards and gardens.
- 2727 6. Wood Waste: Non-treated pallets; pruned branches, stumps, and whole  
2728 trees removed during the normal course of maintenance of public or  
2729 private roads, highways, driveways, utility lines, rights of way, and  
2730 parks.

2731 (e) Dedicated Energy Crops. Wood grown for the purpose of producing fuel,  
2732 provided that such wood was not grown on land that sequestered significant  
2733 amounts of carbon, such as a forest, and provided that such land does not have the  
2734 economic potential to support production of any other agricultural crop grown for  
2735 human consumption as food.

2736  
2737 Eligible Forest Biomass Tonnage Report. The report certified by a Professional  
2738 Forester under the provisions of 225 CMR 15.05(5) that details the amounts of Forest  
2739 Derived Thinnings and Forest Derived Residues that may be removed from a harvest  
2740 site to be Eligible Biomass Woody Fuel. In the case of a Forest Derived Residue, the  
2741 Report further details whether such Forest Derived Residue is derived from harvest  
2742 by-products or invasive species, as defined in the subcategories of Forest Derived  
2743 Residue.

2744  
2745 Eligible Liquid Biofuel. A liquid fuel that is derived from Eligible Biomass Fuel, but  
2746 is not Eligible Biomass Woody Fuel or Co-Mingled Biomass Woody Fuel, and that  
2747 yields at least a 50% reduction in Lifecycle Greenhouse Gas Emissions relative to  
2748 average lifecycle greenhouse gas emissions for petroleum distillate fuel sold in 2005,  
2749 as determined by the Department in consultation with the MassDEP and the Executive  
2750 Office; or that is derived from waste feedstocks consisting of previously used or  
2751 discarded solid, liquid or contained gaseous material resulting from industrial,

2752 commercial or household food service activities that would otherwise be stored,  
2753 treated, transferred or disposed. Waste feedstock shall include, but not be limited to  
2754 waste vegetable oils, waste animal fats, substances derived from wastewater and the  
2755 treatment of wastewater, or grease trap waste. Waste feedstock shall not include  
2756 petroleum-based waste or waste that otherwise meets the definition of hazardous  
2757 waste, unless otherwise determined by the MassDEP.

2758  
2759 Eligible RPS Class II Renewable Fuel. An Eligible Biomass Fuel, landfill methane  
2760 gas, municipal solid waste, hydrogen derived from such fuels or hydrogen derived  
2761 from water using the electrical output of a Renewable Generation Unit, but not  
2762 hydrogen derived using RPS Class I or Class II Renewable Generation if the RPS  
2763 Class I or Class II Renewable Generation Attributes of such Generation are sold,  
2764 retired, claimed, used or represented as part of electrical energy output or sales, or  
2765 used to satisfy regulatory obligations in any jurisdictions, and not hydrogen derived  
2766 directly or indirectly from ineligible fuels.

2767  
2768 End-use Customer. A person or entity in Massachusetts that purchases electrical  
2769 energy at retail from a Retail Electricity Supplier, except that a Generation Unit taking  
2770 station service at wholesale from ISO-NE or self-supplying from its owner's other  
2771 generating stations, shall not be considered an End-use Customer.

2772  
2773 Executive Office. The Executive Office of Energy and Environmental Affairs  
2774 established by M.G.L. c. 6A § 2.

2775  
2776 Fire-adapted Forest Ecosystem. Natural forest communities characterized by  
2777 vegetation including, but not limited to, pitch pine and/or scrub oak occurring on  
2778 droughty soils, and that

- 2779 (a) have evolved with fire as a natural process;  
2780 (b) support and renew associated wildlife species and habitats; and  
2781 (c) are identified on the most recently updated U.S. Department of Interior,  
2782 Geological Survey national LANDFIRE map.

2783  
2784 Generation Attribute. A non-price characteristic of the electrical energy output of a  
2785 Generation Unit including, but not limited to, the Generation Unit's fuel type,  
2786 emissions, vintage and RPS eligibility.

2787  
2788 Generation Unit. A facility that converts a fuel or an energy resource into electrical  
2789 energy.

2790  
2791 Geothermal Energy. Heat energy stored in the Earth's crust that can be accessed for  
2792 electric power generation.

2793  
2794 GIS Certificate. An electronic record produced by the NEPOOL GIS that identifies  
2795 Generation Attributes of each MWh accounted for in the NEPOOL GIS.

2796

2797 Guidelines. A set of clarifications, interpretations, and procedures, including forms,  
2798 developed by the Department to assist in compliance with the requirements of 225  
2799 CMR 15.00. The Department may issue new or revised Guidelines from time to time.  
2800 Each Guideline shall be effective on its date of issuance or on such date as is specified  
2801 therein, except as otherwise provided in 225 CMR 15.00.

2802  
2803 Hydroelectric Energy. Electrical energy from a Generation Unit that uses flowing  
2804 freshwater as the primary energy resource, with or without a dam structure or other  
2805 means of regulating water flow, and that is not located at a facility that uses  
2806 mechanical or electrical energy to pump water into a storage facility.

2807  
2808 Impacted Watershed. All water bodies or areas of land hydrologically connected to a  
2809 hydroelectric facility, whether located upstream or downstream, which may  
2810 experience any alteration of their physical, biological, or ecological characteristics as  
2811 a result of the operation or increased capacity expansion of a Generation Unit.

2812  
2813  
2814 ISO-NE. ISO New England Inc., the independent system operator for New England,  
2815 the regional transmission organization for most of New England, which is authorized  
2816 by the Federal Energy Regulatory Commission (FERC) to exercise for the New  
2817 England Control Area the functions required pursuant to the FERC's Order No. 2000,  
2818 the FERC's corresponding regulations, and any successor FERC orders and  
2819 regulations.

2820  
2821 ISO-NE Settlement Market System. The ISO-NE's electronic database system into  
2822 which all real-time load and generation data are entered and from which such data are  
2823 provided to the NEPOOL GIS.

2824  
2825 Lifecycle Greenhouse Gas Emissions. The aggregate quantity of greenhouse gas  
2826 emissions, including direct emissions and significant indirect emissions such as  
2827 significant emissions from land use changes, and temporal changes in forest carbon  
2828 sequestration and emissions resulting from biomass harvests, regrowth, and avoided  
2829 decomposition as determined by the Department in consultation with the MassDEP  
2830 and the Executive Office, related to the full fuel lifecycle, including all stages of fuel  
2831 and feedstock production and distribution, from feedstock generation or extraction  
2832 through the distribution and delivery and use of the finished fuel at the Generation  
2833 Unit, where the mass values for all greenhouse gases are adjusted to account for their  
2834 relative global warming potential.

2835  
2836 Low Impact Hydro Power Institute (LIHI). A non-profit 501(c)(3) organization,  
2837 whose stated purpose is to reduce the impacts of hydropower generation through the  
2838 certification of hydropower projects that have avoided or reduced their environmental  
2839 impacts pursuant to the Low Impact Hydropower Institute's criteria.

2840  
2841 Manufactured Biomass Fuel. A biomass fuel that is prepared, other than by means of  
2842 fuel drying, through a fuel processing facility that is separate from a Generation Unit

2843 and that utilizes Eligible Biomass Woody Fuel for production. Examples include, but  
2844 are not limited to, the mechanical production of wood pellets or bio-dust, and the  
2845 refinement of bio-oil through pyrolysis.

2846  
2847 Marine or Hydrokinetic Energy. Electrical energy derived from waves, tides and  
2848 currents in oceans, estuaries and tidal areas; free-flowing water in rivers, lakes,  
2849 streams, and human-made channels, provided that such water is not diverted,  
2850 impounded, or dammed; or differentials in ocean temperature, called ocean thermal  
2851 energy conversion.

2852  
2853 Massachusetts Clean Energy Technology Center (MassCEC). The center established  
2854 in M.G.L. c. 23J, § 2.

2855  
2856 MassDEP. The Massachusetts Department of Environmental Protection established  
2857 by M.G.L. c. 21A, § 7.

2858  
2859 Megawatt-hour (MWh). A unit of electrical energy or work equivalent to one million  
2860 watts of power operating for one hour, or, for the purpose of thermal energy, a unit of  
2861 energy equal to 3,412,000 British Thermal Units (Btu).

2862  
2863 Merchantable Bio-products. Products that are refined from a biomass fuel by a bio-  
2864 refinery project in which the Generation Unit is integral. Products include but are not  
2865 limited to merchantable chemicals such as additives, lubricants, or specialty  
2866 chemicals, and other products which can be permanently sequestered for carbon  
2867 reductions.

2868  
2869 NEPOOL GIS. The NEPOOL Generation Information System, which includes a  
2870 generation information database and certificate system, operated by the New England  
2871 Power Pool (NEPOOL), its designee or successor entity, that accounts for Generation  
2872 Attributes of electrical energy consumed within, imported into, or exported from the  
2873 ISO-NE Control Area.

2874  
2875 Off-grid Generation. The electrical energy produced by a Generation Unit that is not  
2876 connected to a utility transmission or distribution system.

2877  
2878 Operator. Any person or entity who has charge or control of a Generation Unit subject  
2879 to 225 CMR 15.00, including without limitation a duly authorized agent or lessee of  
2880 the Owner, or a duly authorized independent contractor.

2881  
2882 Overall Efficiency. For a Generation Unit using an Eligible Biomass Woody Fuel, the  
2883 calculation shall be the sum of:

- 2884 (a) Renewable Generation not utilized behind-the-meter, plus  
2885 (b) Renewable Energy utilized behind-the-meter divided by 0.92, or 92%,  
2886 which is one minus the average distribution and transmission line losses of  
2887 the electrical grid, which, for the purpose of this calculation, is 8%, plus  
2888 (c) Useful Thermal Energy, plus

2889 (d) Merchantable Bio-Products;  
2890 and this summation shall be divided by the Biomass Input Heat Content.

2891  
2892 Owner. Any person or entity who, alone or in conjunction with others, has legal  
2893 ownership, a leasehold interest, or effective control over the real property or property  
2894 interest upon which a Generation Unit is located, or the airspace above said real  
2895 property, including without limitation a duly authorized agent of the Owner. For the  
2896 purposes of 225 CMR 15.02, Owner does not mean a person or entity holding legal  
2897 title or security interest solely for the purpose of providing financing.

2898  
2899 Percent Under-compliance. The difference, if positive, between 50% and the reported  
2900 lifecycle greenhouse gas emissions over 20 years as reported in a Biomass Unit  
2901 Annual Compliance Report by an RPS Class II Renewable Generation Unit that  
2902 utilizes Eligible Biomass Woody Fuel, as provided in 225 CMR 15.05(5)(d).The  
2903 difference, if negative, shall not be considered under-compliance as related to  
2904 15.05(5)(d)3.

2905  
2906 Professional Forester. A person who is certified by the Society of American Foresters,  
2907 licensed and/or certified by the host state of the harvest site, or certified by the  
2908 Department where the Department has received documentation that the Professional  
2909 Forester has proficiency and experience in forestry.

2910  
2911 Relevant Hydroelectric Agency. A federal, state or provincial agency with oversight  
2912 over fish and wildlife, water quality, river flows, fish passage and protection,  
2913 mitigation and enhancement opportunities, related to a hydroelectric facility located  
2914 in the Impacted Watershed or that impacts downstream or upstream passage of fish  
2915 and wildlife.

2916  
2917 Renewable Generation. The electrical energy output of a Renewable Generation Unit.

2918  
2919 Renewable Generation Attribute. The Generation Attribute of the electrical energy  
2920 output of a specific Generation Unit that derives from the Generation Unit's  
2921 production of Renewable Generation.

2922  
2923 Renewable Generation Unit. A Generation Unit that uses an Eligible RPS Class II  
2924 Renewable Fuel, Hydroelectric Energy, waste-to-energy that is a component of  
2925 conventional municipal solid waste plant technology in commercial use, or any of the  
2926 fuels, energy resources or technologies set forth in 225 CMR 15.04(1)(a).

2927  
2928 Retail Electricity Product. An electrical energy offering that is distinguished by its  
2929 Generation Attributes and that is offered for sale by a Retail Electricity Supplier to  
2930 End-use Customers.

2931  
2932 Retail Electricity Supplier. A person or entity that sells electrical energy to End-use  
2933 Customers in Massachusetts, including but not limited to electric utility Distribution  
2934 Companies supplying basic service or any successor service to End-use Customers.



2935 A Municipal Lighting Plant shall be considered a Retail Electricity Supplier; however,  
2936 it shall be exempt from the obligations of a Retail Electricity Supplier under 225 CMR  
2937 15.00 so long as and insofar as it is exempt from the requirements to allow competitive  
2938 choice of generation supply pursuant to M.G.L. c. 164, § 47A.

2939  
2940 RPS Class II Renewable Generation. The electrical energy output of an RPS Class II  
2941 Renewable Generation Unit, or that portion of the electrical energy output of an RPS  
2942 Class II Generation Unit that qualifies under:

- 2943 (a) a Co-firing and Blended Fuel Waiver, pursuant to 225 CMR 15.05(2);
- 2944 (b) the Special Provisions for a Generation Unit Located in a Control Area  
2945 Adjacent to the ISO-NE Control Area, pursuant to 225 CMR 15.05(3); or
- 2946 (c) any other applicable provision of 225 CMR 15.00.

2947  
2948 RPS Class II Renewable Generation Attribute. The Generation Attribute of the  
2949 electrical energy output of a specific RPS Class II Generation Unit that derives from  
2950 the Generation Unit's production of RPS Class II Renewable Generation, excluding  
2951 Attributes derived from the production of Waste Energy.

2952  
2953 RPS Class II Renewable Generation Unit. A Generation Unit or Aggregation that has  
2954 received an RPS Class II Statement of Qualification from the Department.

2955  
2956 RPS Class II Waste Energy Generation Attribute. The Generation Attribute of the  
2957 electrical energy output of a specific Waste Energy Generation Unit that derives from  
2958 the Generation Unit's production of Waste Energy.

2959  
2960 Statement of Qualification (SQ). A written document from the Department that  
2961 qualifies a Generation Unit or Aggregation as an RPS Class II Qualified Generation  
2962 Unit, or that qualifies a portion of the annual electrical energy output of a Generation  
2963 Unit or Aggregation as RPS Class II Renewable Generation.

2964  
2965 Useful Thermal Energy. Energy:

- 2966 (a) in the form of direct heat, steam, hot water, or other thermal form that is used  
2967 in  
2968 production and beneficial measures for heating, cooling, humidity control, process  
2969 use, or  
2970 other valid thermal end use energy requirements; and
- 2971 (b) for which fuel or electricity would otherwise be consumed.

2972 Thermal energy used for the purpose of drying or refining biomass fuel shall not be  
2973 considered Useful Thermal Energy.

2974  
2975 Valid Air Permit. Within the United States, a current and effective authorization,  
2976 license, certificate, or like approval to construct and/or operate a source of air  
2977 pollution, issued or required by the regulatory agency designated in the applicable  
2978 State Implementation Plan to issue permits under the Clean Air Act, 42 U.S.C. §§  
2979 7401, *et seq.* In jurisdictions outside of the United States, it shall be a document  
2980 demonstrating an equivalent authorization.

2981  
2982 Waste Energy. Electrical energy generated from the combustion of municipal solid  
2983 waste.  
2984

2985 Waste Energy Generation Unit. A Generation Unit that utilizes conventional  
2986 municipal solid waste plant technology in commercial use to generate Waste Energy.  
2987

2988 15.03: Administration

2989  
2990 225 CMR 15.00 shall be administered by the Department.  
2991

2992 15.04: Applicability

2993  
2994 225 CMR 15.00 applies to Retail Electricity Suppliers and to the Owners or  
2995 Operators of RPS Class II Generation Units.  
2996

2997 15.05: Eligibility Criteria for RPS Class II Generation Units

2998  
2999 (1) Eligibility Criteria. A Generation Unit may qualify as an RPS Class II  
3000 Generation Unit subject to the limitations in 225 CMR 15.05.

3001 (a) Fuels, Energy Resources and Technologies. The Generation Unit shall use  
3002 one or more of the fuels, energy resources and/or technologies listed in 225 CMR  
3003 15.05(1)(a)1 through 10.

3004 1. Solar photovoltaic or solar thermal electric energy.

3005 2. Wind energy.

3006 3. Ocean thermal, wave or tidal energy.

3007 4. Fuel cells using an Eligible RPS Class II Renewable Fuel.

3008 5. Landfill methane gas, provided that such gas is collected and conveyed  
3009 directly to the Generation Unit without use of facilities used as common  
3010 carriers of natural gas.

3011 6. Hydroelectric. A Generation Unit that uses Hydroelectric Energy may  
3012 qualify as an RPS Class II Generation Unit, subject to the limitations in 225  
3013 CMR 15.05(1)(a)6.

3014 a. The Generation Unit has a nameplate capacity up to 7.5 megawatts.

3015 b. The Generation Unit does not involve any dam or water diversion  
3016 structure constructed after December 31, 1997, or pumped storage of  
3017 water.  
3018

3019 c. The Generation Unit does not generate Marine or Hydrokinetic Energy.

3020 d. The Generation Unit meets appropriate and site-specific standards that  
3021 address adequate and healthy river flows, water quality standards, fish  
3022 passage and protection measures and mitigation and enhancement  
3023 opportunities in the Impacted Watershed, as determined by the Department  
3024 in consultation with Relevant Hydroelectric Agencies. The Generation  
3025 Unit shall demonstrate compliance with such standards by submitting the  
3026 documentation required in either 225 CMR 15.05(1)(a)6.d.i or ii.

3027 i. LIHI Certification of the Generation Unit; except that in either of  
3028 the two circumstances provided in 225 CMR 15.05(1)(a)6.d.i, the  
3029 Department may request further information from the applicant and  
3030 the Relevant Hydroelectric Agencies as part of its review of the  
3031 applicant's Statement of Qualification Application. The  
3032 Department shall notify the applicant of any such input from a  
3033 Relevant Hydroelectric Agency not later than 30 days after  
3034 receiving such input and shall provide the applicant an opportunity  
3035 to respond to the Department not later than 30 days after the  
3036 applicant's receipt of such notice from the Department.

3037 (i) If a Relevant Hydroelectric Agency identified an  
3038 environmental concern and a proposed remedy to LIHI during  
3039 the LIHI certification process, and such concern was not  
3040 addressed in the LIHI certification to the satisfaction of the  
3041 Agency, and the Agency consulted with the Owner or  
3042 Operator of the Generation Unit; or

3043 (ii) If, between issuance of the LIHI certification and the  
3044 Department's determination of the Generation Unit's  
3045 eligibility, a Relevant Hydroelectric Agency submits to the  
3046 Department evidence of a significant environmental problem  
3047 not previously known by such Agency, after consulting with  
3048 the Owner or Operator of the Generation Unit.

3049 ii. A denial of certification from LIHI specifying the reasons the  
3050 certification was denied and the applicant's proposed rationale for  
3051 why the project should nevertheless receive a Statement of  
3052 Qualification. In this instance, the Department shall notify and seek  
3053 input from the Relevant Hydroelectric Agencies, which shall have  
3054 30 days from the date of their receipt of such notification to provide  
3055 feedback to the Department. The Owner or Operator of the  
3056 Generation Unit shall be notified of any such input and shall have  
3057 30 days from receipt of such notice to respond to the satisfaction  
3058 of the Department as to why its Statement of Qualification  
3059 Application should be approved. The Department thereafter shall  
3060 make finding of whether the Generation Unit meets appropriate  
3061 environmental safeguards despite the lack of LIHI certification.

3062 e. The Owner or Operator of the Generation Unit must serve notice to all  
3063 Relevant Hydroelectric Agencies of its application for LIHI certification.  
3064 The Owner or Operator of the Generation Unit also must serve notice to  
3065 all Relevant Hydroelectric Agencies and provide opportunity for comment  
3066 within 30 days of such notice, with regard to its submission of a Statement  
3067 of Qualification Application . Notice of such service must be provided to  
3068 the Department.

3069  
3070 f. If LIHI fails to act to certify or deny certification within 180 days from  
3071 the date of submission of the Generation Unit's application to LIHI, the  
3072 Owner or Operator shall file notice of such event with the Department. The

3073 Department shall review the federal, state or provincial permits for the  
3074 Generation Unit and any submissions to LIHI by Relevant Hydroelectric  
3075 Agencies, and shall make a final determination as to whether the  
3076 Generation Unit meets environmental standards specified in 225 CMR  
3077 15.05(1)(a)6.d.

3078 g. If LIHI is unable to review for certification a Generation Unit that is  
3079 located in a Control Area adjacent to the ISO-NE Control Area and outside  
3080 the United States of America, the Owner or Operator of such Generation  
3081 Unit may petition the Department for certification using the LIHI standards  
3082 by an independent third party acceptable to the Department.

3083 7. Waste to Energy. A Generation Unit that uses Waste Energy may qualify  
3084 as an RPS Class II Generation Unit subject to the following limitations:

3085 a. Has received approval from the MassDEP of the Unit's participation  
3086 in or operation of an authorized recycling program;

3087 b. Maintains participation in or operation of such recycling program and  
3088 confirms this maintenance by submitting an annual report to the Department  
3089 and MassDEP of its compliance;

3090 c. Complies with the applicable requirements of 310 CMR 7.08(2):  
3091 *Municipal Waste Combustors*;

3092 d. Complies with the applicable requirements of 310 CMR 19.000: *Solid*  
3093 *Waste Management*.

3094 8. Low-emission, biomass power conversion technologies using an Eligible  
3095 Biomass Fuel. A Generation Unit may qualify as an RPS Class II Generation  
3096 Unit, provided it uses an Eligible Biomass Fuel, subject to the limitations in  
3097 225 CMR 15.05(1)(a)8.

3098 a. The Department shall set forth in Guidelines low-emission eligibility  
3099 criteria which will become effective on their date of issuance. Any  
3100 emission eligibility criteria in subsequently revised Guidelines shall  
3101 become effective 24 months from their date of issuance.

3102 b. A Generation Unit must demonstrate to the satisfaction of the  
3103 Department that its emissions are consistent with criteria set forth in the  
3104 Guidelines that are applicable for the date on which the Department  
3105 receives the Unit's Statement of Qualification Application.

3106 c. In the case of a Generation Unit for whose size, type, or fuel the  
3107 Guidelines do not provide applicable emission limits, the Department will  
3108 determine appropriate limits in consultation with the MassDEP.

3109 d. A Generation Unit that uses an Eligible Biomass Woody Fuel, Co-  
3110 Mingled Biomass Woody Fuel, or a Manufactured Biomass Fuel, must  
3111 provide to the Department as part of their Statement of Qualification  
3112 Application the following items:

3113 i. A fuel supply plan indicating the anticipated fuel types, sources, and  
3114 amounts. The Unit shall provide a report of the anticipated fuel supply  
3115 for that Compliance Year no later than January 1 of each year on an  
3116 annual basis.

3117 ii. A design and operational plan that demonstrates that the Unit will  
3118 achieve an Overall Efficiency, as calculated in 225 CMR 15.05(5)(c)2.

3119 through 4., of at least 50% on a quarterly basis.  
3120  
3121 iii. An analysis of net Lifecycle *Greenhouse Gas* Emissions, that  
3122 demonstrates, to the satisfaction of the Department, that such  
3123 emissions, over a 20 year life cycle, yield at least a 50% reduction of  
3124 greenhouse gas emissions relative to the Lifecycle Greenhouse Gas  
3125 Emissions from the aggregate use of the operation of a new combined  
3126 cycle natural gas electric generating facility using the most efficient  
3127 commercially available technology as of the date of the Statement of  
3128 Qualification Application for the portion of electricity delivered by the  
3129 Generation Unit and, if applicable, the operation of the fossil fuel fired  
3130 thermal energy unit being displaced, or in the case of new Useful  
3131 Thermal Energy, a gas-fired thermal energy unit using the most  
3132 efficient commercially available technology as of the date of Statement  
3133 of Qualification Application for the portion of the Useful Thermal  
3134 Energy delivered by the Generation Unit. The Department shall  
3135 provide in the *Overall Efficiency and Greenhouse Gas Analysis*  
3136 Guideline as part of the Statement of Qualification Application a  
3137 standard analytical methodology to meet this requirement, including a  
3138 full accounting of greenhouse gas emissions associated with any fuel  
3139 processing.  
3140 e. In the case of a Generation Unit that uses anaerobic digester gas or  
3141 another biogas that is an Eligible Biomass Fuel, such gas may be either  
3142 i. Conveyed directly to the Generation Unit without the use of facilities  
3143 used as common carriers of natural gas, or  
3144 ii. Transported to a Generation Unit within the ISO-NE Control Area  
3145 or an adjacent Control Area via a common carrier of natural gas, in which  
3146 instance the gas would be subject to the following provisions:  
3147 (i) the gas is produced entirely within the ISO-NE Control Area or  
3148 an adjacent Control Area; and  
3149 (ii) documentation is provided, satisfactory to the Department,  
3150 regarding the gas transportation and related contracts; and  
3151 (iii) demonstration is provided, satisfactory to the Department, that  
3152 the gas can be physically delivered to the Generation Unit.  
3153 9. Marine or Hydrokinetic Energy.  
3154 10. Geothermal Energy.  
3155 (b) Commercial Operation Date. The Commercial Operation Date shall be on or  
3156 before December 31, 1997.  
3157 (c) Metering. The electrical energy output from a Generation Unit shall be  
3158 verified by the ISO-NE or by an independent verification system or person  
3159 participating in the NEPOOL GIS accounting system as an independent Third  
3160 Party Meter Reader, as defined in Rule 2.5(j) of the NEPOOL GIS Operating  
3161 Rules, or any successor rule, and approved by the Department.  
3162 (d) Location. The Generation Unit location is subject to the following  
3163 limitations:

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1. Off-grid Generation. If the Generation Unit produces Off-grid Generation, such Generation Unit must be located in Massachusetts.

2. Behind-the-meter Generation. If the Generation Unit is wired to the electrical system on the End-use Customer's side of a retail electric meter, such Generation Unit must be located inside the ISO-NE Control Area and have a nameplate capacity of 25 megawatts or less.

(2) Co-Firing and Blended Fuel Waiver. All or a portion of the electrical energy output of a Generation Unit that uses ineligible fuel in conjunction with an Eligible RPS Class II Renewable Fuel, whether by co-firing such fuels or by using a Blended Fuel, may qualify as RPS Class II Renewable Generation provided the Generation Unit meets the eligibility requirements of 225 CMR 15.05, subject to the limitations in 225 CMR 15.05(2).

(a) The portion of the total electrical energy output that qualifies as RPS Class II Renewable Generation in a given time period shall be equal to the ratio of the net heat content of the Eligible RPS Class II Renewable Fuel consumed to the net heat content of all fuel consumed in that time period.

(b) If using a Co-Mingled Biomass Woody Fuel, such fuel shall be considered an ineligible fuel unless such fuel is accompanied by Biomass Fuel Certificates as provided in 225 CMR 15.05(5)(a)(2)b.

(c) If using a Blended Fuel of which the eligible portion is an Eligible Biomass Fuel or if co-firing an ineligible fuel with an Eligible Biomass Fuel, the entire Generation Unit must meet the requirements of an advanced biomass Power Conversion Technology as set forth in 225 CMR 15.05(1)(a)8.

(d) If using an Eligible Biomass Fuel, the Generation Unit must demonstrate to the satisfaction of the Department that the emission rates for the entire Generation Unit are consistent with rates prescribed by the MassDEP for comparably fueled Generation Units in the Commonwealth. The Department may require the Generation Unit Owner or Operator to retain at its own expense a third-party consultant deemed satisfactory to the Department, to provide the Department and the MassDEP with assistance in this determination.

(e) The Generation Unit must provide with its Statement of Qualification Application a fuel supply plan that specifies each and every fuel that it intends to use, in what relative proportions either in co-firing or in a Blended Fuel, and with what individual input heat values. Such plan shall include the procedures by which the Unit will document to the satisfaction of the Department its compliance with the plan.

(f) The provisions of 225 CMR 15.05(2) shall not apply to the incidental use of ineligible fuels for the purpose of cold starting a Generation Unit that otherwise exclusively uses an Eligible RPS Class II Renewable Fuel.

(3) Special Provisions for a Generation Unit Located in a Control Area Adjacent to the ISO-NE Control Area. The portion of the total electrical energy output of an RPS Class II Generation Unit located in a Control Area adjacent to the ISO-NE Control

3210 Area that qualifies as RPS Class II Renewable Generation shall meet the requirements  
3211 in Rule 2.7(c) and all other relevant sections of the NEPOOL GIS Operating Rules or  
3212 any successor rule, and the following requirements:

3213 (a) The Generation Unit Owner or Operator shall provide documentation,  
3214 satisfactory to the Department, that the RPS Class II Renewable Generation  
3215 Attributes or RPS Class II Waste Energy Generation Attributes have not  
3216 otherwise been, nor will be, sold, retired, claimed, used or represented as part  
3217 of electrical energy output or sales, or used to satisfy obligations in  
3218 jurisdictions other than Massachusetts.

3219 (b) The Generation Unit Owner or Operator must provide an attestation in a form  
3220 to be provided by the Department that it will not itself or through any affiliate or  
3221 other contracted party, engage in the process of importing RPS Class II Renewable  
3222 Generation into the ISO-NE Control Area for the creation of RPS Class II  
3223 Renewable GIS Certificates, and then exporting that energy or a similar quantity  
3224 of other energy out of the ISO-NE Control Area during the same hour.

3225 (c) The quantity of electrical energy output from an RPS Class II Generation Unit  
3226 outside the ISO-NE Control Area that can qualify as RPS Class II Renewable  
3227 Generation at the NEPOOL GIS during each hour is limited to the lesser of the  
3228 RPS Class II Renewable Generation actually produced by the Unit or the RPS  
3229 Class II Renewable Generation actually scheduled and delivered into the ISO-NE  
3230 Control Area.

3231  
3232 (4) Special Provisions for Aggregations. An Aggregation of Generation Units that  
3233 are located behind the customer meter or that are Off-grid Generation Units, each of  
3234 which could independently meet the relevant requirements of 225 CMR 15.05, may  
3235 receive a single Statement of Qualification and be treated as a single RPS Class II  
3236 Renewable Generation Unit under the following criteria and procedures:

3237 (a) Each Generation Unit in such Aggregation must use the same fuel, energy  
3238 resource and technology as all other Generation Units in the Aggregation.

3239 (b) Each of the Owners or Operators of Generation Units within the  
3240 Aggregation must enter into an agreement with a person or entity that serves as  
3241 the Authorized Agent for the Aggregation in all dealings with the Department  
3242 and with the NEPOOL GIS, and such agreement must include procedures by  
3243 which the electrical energy output of each Generation Unit shall be monitored  
3244 and reported to the NEPOOL GIS.

3245 (c) The Authorized Agent of the Aggregation must establish and maintain a  
3246 Generator account at the NEPOOL GIS under the NEPOOL GIS Operating  
3247 Rules, including all provisions for Non-NEPOOL Generator Representatives, as  
3248 that term is defined in Rule 2.1(a)(vi) of those Rules, or any successor rules.

3249 (d) The electrical energy output of each of the Generation Units in the  
3250 Aggregation must be individually monitored and recorded, and it must be  
3251 reported to the NEPOOL GIS as part of an aggregated total for the Aggregation,  
3252 by an independent Third Party Meter Reader, as defined in Rule 2.5(j) of the  
3253 NEPOOL GIS Operating Rules, or any successor rule, and approved by the  
3254 Department.

3255 (5) Special Provisions for Generation Units Using Eligible Biomass Woody Fuels,  
3256 Co-Mingled Biomass Woody Fuels, or Manufactured Biomass Fuels.

3257 (a) Eligible Biomass Woody Fuel or Manufactured Biomass Fuel Certification,  
3258 Verification, and Enforcement. An Owner, Operator, or Authorized Agent of a  
3259 Generation Unit that uses an Eligible Biomass Woody Fuel or a Manufactured  
3260 Biomass Fuel must meet the following provisions:

3261 1. Over each Compliance Year, the tonnage of all Eligible Biomass  
3262 Woody Fuel input to the Generation Unit shall be documented by  
3263 the Owner or Operator in a Biomass Unit Annual Compliance  
3264 Report provided in 225 CMR 15.05(5)(d). The documentation  
3265 shall demonstrate that the Owner or Operator of the Generation  
3266 Unit has obtained a quantity of Biomass Fuel Certificates  
3267 representing an equal or greater quantity than the tonnage of  
3268 Eligible Biomass Woody Fuel in the Report. For Manufactured  
3269 Biomass Fuel, the Biomass Fuel Certificates shall be for the  
3270 required tonnage of Eligible Biomass Woody Fuel necessary for  
3271 the production of the volume of Manufactured Biomass Fuel  
3272 delivered to the unit.

3273 2. Biomass Fuel Certificates shall be originated, procured, and  
3274 transacted in accordance with the Department's Biomass  
3275 Eligibility and Certificate Guideline. Certificates shall be valid  
3276 only in one of the following instances:

3277 a. Biomass Fuel Certificates that accompany the shipment of  
3278 Eligible Biomass Woody Fuel from its original source and:  
3279 i. is delivered directly to an RPS Class II Renewable  
3280 Generation Unit; and  
3281 ii. has not been modified or mixed with other fuels or  
3282 materials.

3283 b. Biomass Fuel Certificates that accompany the shipment of  
3284 Eligible Biomass Woody Fuel from its original source and  
3285 which is delivered directly to a retailer of Eligible Biomass  
3286 Woody Fuel. If the fuel is subsequently co-mingled by the  
3287 retailer, the Certificate accompanying the co-mingled fuel  
3288 must represent the original Eligible Biomass Woody Fuel  
3289 tonnage delivered to the retailer. The newly Co-Mingled  
3290 Biomass Woody Fuel must then be delivered by the same  
3291 retailer directly to an RPS Class II Renewable Generation  
3292 Unit.

3293 c. Biomass Fuel Certificates obtained by and transacted  
3294 between the Owners, Operators, or Authorized Agents of  
3295 Generation Units that have received Statements of  
3296 Qualification from the Department under 225 CMR 14.00:  
3297 *Renewable Energy Portfolio Standard – Class I*, 225 CMR  
3298 15.00, or 225 CMR 16.00: *Alternative Energy Portfolio*  
3299 *Standard (APS)*.  
3300



3301 3. For Forest Derived Residues and Forest Derived Thinnings the  
3302 Biomass Fuel Certificate shall be issued consistent with the Eligible  
3303 Forest Biomass Tonnage Report and signed by a Professional Forester.  
3304

3305 4. The Eligible Forest Biomass Tonnage Report shall include  
3306 certification by the Professional Forester of compliance with all  
3307 eligibility requirements for Eligible Biomass Woody Fuels under 225  
3308 CMR 15.00. This may include evidence that the fuel has been received  
3309 from land certified by the Forest Stewardship Council (FSC),  
3310 Sustainable Forest Initiative (SFI), USDA Forest Service; Forest  
3311 Stewardship Program, or the host state's Current Use Program.

3312 5. For Forest Derived Residues and Forest Derived Thinnings, the  
3313 Eligible Forest Biomass Tonnage Report shall also include each of the  
3314 following:

3315 a. A certification from a Professional Forester that the amount  
3316 to be removed for Eligible Biomass Woody Fuel is no more  
3317 than the allowable percent of the total weight of all forest  
3318 products harvested from a given forest harvest site;

3319 b. A certification from a Professional Forester that the  
3320 prescribed harvest meets the forest sustainability thresholds  
3321 provided in the Department's Biomass Eligibility and  
3322 Certificate *Guideline*;

3323 c. The total tons of *Eligible Biomass* Woody Fuel prescribed  
3324 for harvesting under the category of Forest Derived Residues;  
3325 and

3326 d. The total tons of Eligible Biomass Woody Fuel for  
3327 harvesting under the category of Forest Derived Thinnings.  
3328 The total weight of the forest products shall be calculated  
3329 utilizing weight standards by species provided in the  
3330 Department's Biomass Eligibility and Certificate Guideline.  
3331 The allowable percent removal limit shall be determined as  
3332 prescribed in the Department's Biomass Eligibility and  
3333 Certificate Guideline to protect soil nutrient retention in  
3334 varying soil conditions.

3335 6. For Non-Forest Derived Residue fuels, Forest Salvage, and  
3336 Dedicated Energy Crops, the Biomass Fuel Certificate shall be  
3337 completed by the fuel supplier and certified by the Owner, Operator,  
3338 or Authorized Agent duly verifying the fuel supplier, tonnage, source,  
3339 and that the Non-Forest Derived Residue fuels, Forest Salvage, and  
3340 Dedicated Energy Crops meet the criteria of an Eligible Biomass  
3341 Woody Fuel as provided in the Department's Biomass Eligibility and  
3342 Certificate Guideline.

3343 (b) Verification Provision. The Department or independent third-parties  
3344 contracted for by the Department, shall conduct document inspections, audits, or  
3345 site visits under 225 CMR 15.11, as often as the Department determines is  
3346 necessary to verify compliance with all relevant provisions of 225 CMR 15.00

3347 pertaining to use of an Eligible Biomass Woody Fuel. Verification by the  
3348 Department shall follow the recommendations of the Advisory Panel and Forest  
3349 Impact Statement, as established in 225 CMR 14.05(8)(b)1.: *Advisory Panel* and  
3350 2.: *Forest Impact Assessment*.

3351 (c) A Generation Unit that uses Eligible Biomass Woody Fuel, Co-mingled  
3352 Biomass Woody Fuel, or Manufactured Biomass Fuel must report to the  
3353 Department the following information on a quarterly basis. The Generation Unit  
3354 will be provided RPS Class II Renewable Generation Attributes as a function of  
3355 its Overall Efficiency.

3356 1. Each quarter, the designated independent Third-Party Meter Reader, as  
3357 defined in Rule 2.5(j) of the NEPOOL GIS Operating Rules, or any  
3358 successor rule, and approved by the Department, of a Generation Unit,  
3359 must report: Biomass Input Heat Content, Useful Thermal Energy,  
3360 Merchantable Bio-Products, Renewable Generation, Renewable  
3361 Generation utilized behind-the-meter, and the Overall Efficiency. For all  
3362 reported data and prior to the calculation of Overall Efficiency, all energy  
3363 units must be expressed in MWh. For Useful Thermal Energy and  
3364 Biomass Input Heat Content the conversion of energy units shall consider  
3365 that each 3412 thousand BTUs is equivalent to one MWh. For  
3366 Merchantable Bio-Products the product shall be prescribed an energy  
3367 content based on its enthalpy of reaction, as determined by a standard  
3368 independent laboratory analysis, and those units of energy appropriately  
3369 converted to MWhs.

3370 2. Each quarter, a Generation Unit shall be provided an amount of Renewable  
3371 Energy Attributes on the NEPOOL GIS calculated as follows:

3372 a. A Generation Unit achieving 60% or higher Overall Efficiency in  
3373 a quarter will receive one RPS Class II Renewable Energy  
3374 Attribute for each MWh of RPS Class II Renewable Energy  
3375 Generation.

3376 b. A Unit achieving greater than 50% and less than 60% Overall  
3377 Efficiency in a quarter will receive one RPS Class II Renewable  
3378 Energy Attribute for each MWh of RPS Class II Renewable Energy  
3379 Generation times a pro-rated fraction calculated as follows:  $0.5 +$   
3380  $5 \times (\text{Overall Efficiency} - 0.5)$ , whereby the Overall Efficiency is  
3381 expressed as a decimal (e.g. 51% is expressed as 0.51).

3382 c. A Unit achieving 50% Overall Efficiency in a quarter will receive  
3383  $1/2$  RPS Class II Renewable Energy Attribute for each MWh of  
3384 RPS Class II Renewable Energy Generation.

3385 (d) Annual Compliance of Generation Units using Eligible Biomass Woody Fuel,  
3386 Co-Mingled Biomass Woody Fuel, or Manufactured Biomass Fuel. An Owner,  
3387 Operator, or Authorized Agent of a Generation Unit using Eligible Biomass  
3388 Woody Fuel, Co-Mingled Biomass Woody Fuel, or Manufactured Biomass Fuel  
3389 shall provide to the Department by January 31st of each year a Biomass Unit  
3390 Annual Compliance Report and be subject to the following:

3391 1. Within the Biomass Unit Annual Compliance Report, in a format set forth  
3392 in the Department's Overall Efficiency and Greenhouse Gas Analysis

3393 Guideline, the Owner, Operator, or Authorized Agent shall identify the  
3394 Owner's ownership of Biomass Fuel Certificates denoting the fuel  
3395 consumption for the Compliance Year by the Generation Unit by tons of  
3396 fuel, categorized as Forest Derived Residues, Forest Derived Thinnings,  
3397 Non-Forest Derived Residues, Forest Salvage, and Dedicated Energy  
3398 Crops. The Owner, Operator, or Authorized Agent shall retain copies of  
3399 all Biomass Fuel Certificates for five years. The Report must explain any  
3400 variances with the proposed Fuel Supply Plan filed with the Department  
3401 for that Compliance Year.

3402 2. The Biomass Unit Annual Compliance Report must include a greenhouse  
3403 gas analysis for the Compliance Year. The analysis shall be prepared in  
3404 accordance with the Department's Overall Efficiency and Greenhouse Gas  
3405 Analysis Guideline and the fuel use as represented by the Biomass Fuel  
3406 Certificates owned for the Compliance Year. This Report must also  
3407 document the Generation Unit's performance with respect to the lifecycle  
3408 greenhouse emissions requirements in 225 CMR 15.05(1)(a)8.d.iii,  
3409 including the actual percent lifecycle greenhouse gas emissions reduction  
3410 over 20 years, as determined in the Department's Overall Efficiency and  
3411 Greenhouse Gas Analysis Guideline. The Report shall document any  
3412 under-compliance and the Percent Under-Compliance with the lifecycle  
3413 greenhouse gas emission reduction requirement.

3414 3. For Generation Units that report a Percent Under-Compliance in 225 CMR  
3415 15.05(5)(d)2, the following provisions shall apply.

3416 a. The Generation Unit shall be placed in a probationary status and  
3417 the Department shall notify the Owner that its Statement of  
3418 Qualification shall be revoked at the end of five Compliance Years  
3419 following the Compliance Year for which the Percent Under-  
3420 Compliance was reported, as provided under 225 CMR 15.06(7).  
3421 The Generation Unit's probationary status shall be rescinded and  
3422 the Generation Unit's Statement of Qualification shall no longer be  
3423 subject to revocation if either:

3424 i. For any three Compliance Years of the probationary period the  
3425 Biomass Unit Annual Compliance Report demonstrates that the  
3426 Generation Unit is complying with the lifecycle greenhouse gas  
3427 emissions requirements; or

3428 ii. The Generation Unit's accumulated Percent Under-  
3429 Compliance is offset by any net over-compliance with the  
3430 lifecycle greenhouse gas emissions requirement as demonstrated  
3431 in the Unit's Annual Compliance Reports during the  
3432 probationary period.

3433 b. For any Compliance Year for which a Generation Unit reports  
3434 under compliance with the lifecycle greenhouse emissions  
3435 requirements, the Generation Unit shall demonstrate compliance  
3436 through the Under-Compliance Mechanism as follows:

3437 i. The Generation Unit shall demonstrate compliance by  
3438 making an Under-Compliance Payment to the MassCEC.

3439 Such payment shall be equal to the product of the Generation  
3440 Unit's Percent Under-Compliance for the relevant year times  
3441 \$0.50 for each RPS Class II Renewable Energy Attribute  
3442 settled for RPS Class II compliance in Massachusetts that  
3443 was generated by the Generation Unit in the relevant  
3444 Compliance Year. The Generation Unit shall provide to the  
3445 Department copies of any receipt(s) for Under-Compliance  
3446 Payment made to the MassCEC for the Compliance Year.

3447 ii. All Under-Compliance Payments received by the MassCEC  
3448 shall be held in an account separate from other accounts of  
3449 the MassCEC. The use of all Under-Compliance Payments  
3450 shall be overseen by the Department. The use of the funds  
3451 shall be limited to the provision of financial support for  
3452 either:

3453 (i) investments across the supply chain for Forest Derived  
3454 Residues, such as but not limited to, investments in  
3455 residue biomass harvest equipment, investment in residue  
3456 fuel handling and trucking, and incremental investments  
3457 needed by Generation Units to handle and utilize residue  
3458 biomass material; or

3459 (ii) activities that increase carbon sequestration through  
3460 the growth of biomass, for example the planting of trees.

3461 iii. The Generation Unit shall have up to one calendar year, after  
3462 the filing of its Biomass Unit Annual Compliance Report, to  
3463 make its total Under-Compliance Payment. If the  
3464 Generation Unit fails to make full payment in this time, its  
3465 Statement of Qualification shall be revoked, in accordance  
3466 with 225 CMR 15.06(7), after the end of that calendar year.

3467 c. A Generation Unit that is subject to a probationary status shall meet  
3468 the following requirements to demonstrate its ability to operate  
3469 within compliance. If, in any Compliance Year, the following  
3470 requirements are not followed, the Generation Unit's Statement of  
3471 Qualification will be revoked, as provided under 225 CMR  
3472 15.06(7).

3473 i. For the first year in a Generation Unit's probationary status,  
3474 the Generation Unit shall provide to the Department by April  
3475 1st, a revised Fuel Supply Plan demonstrating corrective  
3476 action from previous year's procurement practices that will  
3477 provide for the necessary annual supply of Non-Forest  
3478 Residues and Forest Derived Residues.

3479 ii. For the second year in a Generation Unit's probationary  
3480 status, the Generation Unit shall provide to the Department  
3481 by April 1st, a revised Fuel Supply Plan that demonstrates  
3482 that at least 25% of the necessary annual supply of Non-  
3483 Forest Residues and Forest Derived Residues are procured  
3484 under a contract with a fuel supplier.

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- iii. For the third year in a Generation Unit’s probationary status, the Generation Unit shall provide to the Department by April 1st, a revised Fuel Supply Plan that demonstrates that at least 50% of the necessary annual supply of Non-Forest Residues and Forest Derived Residues are procured under a contract with a fuel supplier.
  - iv. For the fourth year in a Generation Unit’s probationary status, the Generation Unit shall provide to the Department by April 1st, a revised Fuel Supply Plan that demonstrates that at least 75% of the necessary annual supply of Non-Forest Residues and Forest Derived Residues are procured under a contract with a fuel supplier.
  - v. For the fifth year in a Generation Unit’s probationary status, the Generation Unit shall provide to the Department by April 1st, a revised Fuel Supply Plan that demonstrates that 100% of the necessary annual supply of Non-Forest Residues and Forest Derived Residues are procured under a contract with a fuel supplier.

15.06: Statement of Qualification Process for RPS Class II Renewable Generation Units

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- (1) Statement of Qualification Application (SQA). An SQA shall be submitted to the Department by the Owner or Operator of the Generation Unit or Aggregation. The applicant must use the most current forms and associated instructions provided by the Department, and must include all information, documentation, and assurances required by such forms and instructions.
  - (2) Review Procedures.
    - (a) The Department will notify the applicant when the SQA is administratively complete or if additional information is required pursuant to 225 CMR 15.06(1).
    - (b) The Department may, in its sole discretion, provide an opportunity for public comment on any SQA.
  - (3) Issuance or Non-Issuance of an SQ.
    - (a) If the Department finds that all or a portion of the electrical energy output of a Generation Unit or of an Aggregation meets the requirements for eligibility as RPS Class II Renewable Generation pursuant to 225 CMR 15.05, the Department will provide the Owner or Operator of such Generation Unit or Aggregation with an SQ.
    - (b) The Statement of Qualification shall include any applicable restrictions and conditions that the Department deems necessary to ensure compliance by a particular Generation Unit or Aggregation with the provisions of 225 CMR 15.00.

3529 (c) If the Generation Unit or Aggregation does not meet the requirements for  
3530 eligibility as an RPS Class II Renewable Generation Unit, the Department shall  
3531 provide written notice to the Owner or Operator, including the Department's  
3532 reasons for such finding.

3533  
3534 (4) RPS Effective Date. The RPS Effective Date shall be the earliest date on which  
3535 electrical energy output of an RPS Class II Renewable Generation Unit or Waste  
3536 Energy Generation Unit can result in the creation of RPS Class II GIS Certificates,  
3537 with the following limitations:

3538 (a) In the case of a Biomass Generation Unit, the RPS Effective Date shall not be  
3539 earlier than the date on which the Department determines that the Biomass  
3540 Generation Unit has commenced compliance with the low-emission conditions in  
3541 its SQ;

3542 (b) In the case of a Hydroelectric Energy Generation Unit, the RPS Effective Date  
3543 shall not be earlier than the date on which the Department determined that the  
3544 Generation Unit has commenced compliance with the environmental conditions in  
3545 its SQ;

3546 (c) In the case of a Waste Energy Generation Unit, the RPS Effective Date shall not  
3547 be earlier than the date on which the Department determines that the Waste Energy  
3548 Generation Unit has commenced compliance with the recycling program conditions  
3549 in its SQ.

3550 In no instance shall the RPS Effective Date occur before January 1, 2009.

3551 (5) Notification Requirements for Change in Eligibility Status. The Owner or  
3552 Operator of an RPS Class II Renewable Generation Unit or Waste Energy Generation  
3553 Unit shall notify the Department of any changes in the technology, operation,  
3554 emissions, fuel sources, energy resources, or other characteristics of the Generation  
3555 Unit that may affect the eligibility of the Generation Unit as an RPS Class II  
3556 Renewable Generation Unit or Waste Energy Generation Unit. The Owner or  
3557 Operator shall submit the notification to the Department no later than five days  
3558 following the end of the month during which such changes were implemented. The  
3559 notice shall state the date the changes were made to the RPS Class II Renewable  
3560 Generation Unit or Waste Energy Generation Unit and describe the changes in  
3561 sufficient detail to enable the Department to determine if a change in eligibility is  
3562 warranted.

3563  
3564 (6) Notification Requirements for Change in Ownership, Generation Capacity, or  
3565 Contact Information. The Owner or Operator of an RPS Class II Renewable  
3566 Generation Unit or Waste Energy Generation Unit shall notify the Department of any  
3567 changes in the ownership, operating entity, generation capacity, NEPOOL GIS  
3568 account, independent verification system for the Generation Unit's or Aggregation's  
3569 electrical energy output, or contact information for the Generation Unit or  
3570 Aggregation. The Owner or Operator shall submit the notification to the Department  
3571 no later than five days following the end of the month during which such changes were  
3572 implemented.

3573 (7) Suspension or Revocation of Statement of Qualification. The Department may  
3574 suspend or revoke a Statement of Qualification if the Owner or Operator of an RPS  
3575 Class II Renewable Generation Unit or Waste Energy Generation Unit fails to comply  
3576 with 225 CMR 15.00 or if a Generation Unit does not operate during a consecutive  
3577 12-month period.  
3578

3579 15.07: Renewable Energy Portfolio Standard – Class II  
3580

3581 (1) RPS Class II Renewable Generation Minimum Standard. The total annual sales  
3582 of each Retail Electricity Product sold to Massachusetts End-use Customers by a  
3583 Retail Electricity Supplier, under contracts executed or extended on or after January  
3584 1, 2009, shall include a minimum percentage of electrical energy sales with RPS  
3585 Class II Renewable Generation Attributes. The RPS Class II Renewable Generation  
3586 Minimum Standard shall be calculated as follows:

3587 (a) The following table reflects the RPS Class II Renewable Generation Minimum  
3588 Standards in effect from 2009 through 2021:  
3589

Compliance Year	RPS Class II Renewable Generation Minimum Standard
2009	3.60%
2010	3.60%
2011	3.60%
2012	3.60%
2013	1.50%
2014	1.75%
2015	2.00%
2016	2.5319%
2017	2.5909%
2018	2.6155%
2019	2.6883%
2020	3.2056%
2021	3.5634%

3590 (b) For each Compliance Year after 2021, the Department shall announce the RPS  
3591 Class II Renewable Generation Minimum Standard no later than August 31st two  
3592 years prior to the Compliance Year. The RPS Class II Renewable Generation  
3593 Minimum Standard shall be determined by the following formula:  
3594

3595 The RPS Class II Renewable Generation Minimum Standard for each Compliance  
3596 Year (CY) shall be equal to the RPS Class II Renewable Generation Minimum  
3597 Standard for the prior Compliance Year (CY-1), plus the number of RPS Class II  
3598 Renewable Generation Attributes settled for compliance in Compliance Year three  
3599 years prior (CY-3), divided by the total MWh of electrical energy sales by Retail  
3600 Electricity Suppliers to End-use Customers in Compliance Year three years prior  
3601 (CY-3), minus the number of RPS Class II Renewable Generation Attributes settled  
3602 for compliance in Compliance Year four years prior (CY-4) divided by the total  
3603 MWh of electrical energy sales by Retail Electricity Suppliers to End-use

3604 Customers in Compliance Year four years prior (CY-4). For the purpose of these  
3605 calculations, the total MWh of electrical energy sales by Retail Electricity Suppliers  
3606 to End-use Customers shall be determined in the manner specified in 225 CMR  
3607 15.09(2)(a), and Attributes settled for compliance in a given Compliance Year shall  
3608 be represented by the total of all RPS Class II qualified GIS Certificates that are  
3609 determined by the Department to qualify for RPS Class II Renewable Energy  
3610 compliance in the Compliance Year in which the energy that they signify was  
3611 generated.

3612 (c) Notwithstanding the calculation in 225 CMR 15.07(1)(b), the RPS Class II  
3613 Renewable Generation Minimum Standard shall not exceed 3.6% of the Total  
3614 Electrical Energy Sales to End-use Customers, as provided in 225 CMR  
3615 15.09(2)(a).  
3616

3617 (2) RPS Class II Waste Energy Minimum Standard. The total annual sales of each  
3618 Retail Electricity Product sold to Massachusetts End-use Customers by a Retail  
3619 Electricity Supplier, under contracts executed or extended on or after January 1, 2009,  
3620 shall include a minimum percentage of electrical energy sales with RPS Class II  
3621 Waste Energy Generation Attributes. The RPS Class II Waste Energy Minimum  
3622 Standard shall be equal to 3.5% of electrical energy sales in the Compliance Years  
3623 2009 through 2020. In Compliance Years 2021 through 2025, the RPS Class II Waste  
3624 Energy Minimum Standard shall be equal to 3.7% of electrical energy sales. In 2026  
3625 and all subsequent Compliance Years, the RPS Class II Waste Energy Minimum  
3626 Standard shall be equal to 3.5% of electrical energy sales. Beginning in 2025 and  
3627 every five years thereafter, the Department shall conduct a review of the RPS Class II  
3628 Waste Energy Minimum Standard and consult with MassDEP on the standard to  
3629 ensure consistency with the solid waste master plan. Following stakeholder comment  
3630 and input on the review of the RPS Class II Waste Energy Minimum Standard, the  
3631 Department may modify the Minimum Standard for the following five years.  
3632

3633 15.08: Compliance Procedures for Retail Electricity Suppliers.  
3634

3635 (1) Standard Compliance. Each Retail Electricity Supplier shall be deemed to be in  
3636 compliance with 225 CMR 15.00 if the information provided in the Compliance Filing  
3637 submitted pursuant to 225 CMR 15.09 is true and accurate and demonstrates  
3638 compliance with 225 CMR 15.07. A Retail Electricity Supplier shall demonstrate to  
3639 the satisfaction of the Department that RPS Class II Renewable Generation Attributes  
3640 and RPS Class II Waste Energy Generation Attributes used for compliance have not  
3641 otherwise been, nor will be, sold, retired, claimed, used or represented as part of  
3642 electrical energy output or sales, or used to satisfy obligations in jurisdictions other  
3643 than Massachusetts.  
3644

3645 (2) Banked Compliance. A Retail Electricity Supplier may use RPS Class II  
3646 Renewable Generation Attributes and RPS Class II Waste Energy Generation  
3647 Attributes produced in one Compliance Year for compliance over the course of the  
3648 following two subsequent Compliance Years, subject to the limitations in 225 CMR  
3649 15.08(2) and provided that the Retail Electricity Supplier is in compliance with 225



3650 CMR 15.00 for all previous Compliance Years. In addition, the Retail Electricity  
3651 Supplier shall demonstrate to the satisfaction of the Department that such Attributes:

3652 (a) were in excess of the RPS Class II Renewable Generation Attributes and RPS  
3653 Class II Waste Energy Generation Attributes needed for compliance in the  
3654 Compliance Year in which they were generated, and that such excess Attributes  
3655 have not previously been used for compliance with 225 CMR 15.00;

3656 (b) do not exceed 30% of the RPS Class II Renewable Generation Attributes and  
3657 30% of the RPS Class II Waste Energy Generation Attributes needed by the Retail  
3658 Electricity Supplier for compliance with the RPS Class II Renewable Generation  
3659 Minimum Standard, and RPS Class II Waste Energy Minimum Standard in the  
3660 year they were generated, subject to 225 CMR 15.09(2)(d) and subject to the  
3661 following limitations:

3662 1. In Compliance Years 2014 and 2015 no excess RPS Class II Waste  
3663 Energy Generation Attributes shall be available as Banked Compliance, and

3664 2. Commencing with Compliance Year 2016, bankable excess RPS Class  
3665 II Waste Energy Generation Attributes shall not exceed 5% of the RPS Class  
3666 II Waste Energy Generation Attributes needed by the Retail Electricity  
3667 Supplier for compliance with the RPS Class II Waste Energy Minimum  
3668 Standard in the year they were generated.

3669  
3670 (c) were produced during the Compliance Year in which they are claimed as  
3671 excess by the generation of electrical energy sold to End-use Customers in the  
3672 ISO-NE Control Area, by the generation of electrical energy on End-use  
3673 Customers' sides of retail meters in the ISO-NE Control Area, or by the generation  
3674 of electrical energy from Off-grid Generation Units in Massachusetts; and

3675 (d) have not otherwise been, nor will be, sold, retired, claimed or represented as  
3676 part of electrical energy output or sales, or used to satisfy obligations in  
3677 jurisdictions other than Massachusetts.

3678  
3679 (3) Alternative Compliance for RPS Class II Renewable Generation Minimum  
3680 Standard. A Retail Electricity Supplier may discharge its obligations under 225 CMR  
3681 15.07(1), in whole or in part, for any Compliance Year by making an ACP to the  
3682 MassCEC. Such funds shall be held in an account separate from other accounts of the  
3683 MassCEC.

3684 (a) Procedures. A Retail Electricity Supplier shall receive Alternative  
3685 Compliance Credits from the Department, subject to the following:

3686 1. The quantity of Credits, specified in MWhs, that can be applied to its  
3687 obligations under 225 CMR 15.07(1) shall be determined by calculating the  
3688 ratio of the total of ACPs paid for the Compliance Year to the ACP Rate for  
3689 that Compliance Year.

3690 2. The ACP Rate for the RPS Class II Renewable Generation Minimum  
3691 Standard shall be \$25 per MWh for Compliance Year 2009. For each  
3692 subsequent Compliance Year, the Department shall publish the ACP Rate by  
3693 January 31 of the Compliance Year. The ACP Rate shall be equal to the  
3694 previous year's ACP Rate adjusted up or down according to the previous year's  
3695 Consumer Price Index. The ACP Rate for the RPS Class II Renewable

3696 Generation Minimum Standard shall not exceed \$35 per MWh for any given  
3697 Compliance Year.

3698 3. The Retail Electricity Supplier shall include with its Annual Compliance  
3699 Filing copies of any ACP receipt(s) for ACPs made to the MassCEC during  
3700 the Compliance Year.

3701 (b) Use of Funds. The Department shall oversee the use of ACP funds by the  
3702 MassCEC.

3703  
3704 (4) Alternative Compliance for RPS Class II Waste Energy Minimum Standard. A  
3705 Retail Electricity Supplier may discharge its obligations under 225 CMR 15.07(2), in  
3706 whole or in part, for any Compliance Year by making an ACP to the MassCEC. Such  
3707 funds shall be held in an account separate from other accounts of the MassCEC.

3708 (a) Procedures. A Retail Electricity Supplier shall receive Alternative  
3709 Compliance Credits from the Department, subject to the following:

3710 1. The quantity of Alternative Compliance Credits, specified in MWhs, that  
3711 can be applied to its obligations under 225 CMR 15.07(2) shall be determined  
3712 by calculating the ratio of the total of ACPs paid for the Compliance Year to  
3713 the ACP Rate for that Compliance Year.

3714 2. The ACP Rate for the RPS Class II Waste Energy Minimum Standard shall  
3715 be \$10 per MWh for Compliance Year 2009. For each subsequent Compliance  
3716 Year, the Department shall publish the ACP Rate by January 31st of the  
3717 Compliance Year. The ACP Rate shall be equal to the previous year's ACP  
3718 Rate adjusted up or down according to the previous year's Consumer Price  
3719 Index. In Compliance Year 2021 through 2025, the ACP Rate for the RPS  
3720 Class II Waste Energy Minimum Standard shall be equal to the ACP Rate for  
3721 the RPS Class II Renewable Energy Minimum Standard set pursuant to 225  
3722 CMR 15.08(3)(a)2, but shall be \$11.50 per MWh beginning in 2026.

3723 3. The Retail Electricity Supplier shall include with its Annual Compliance  
3724 Filing copies of any ACP receipt(s) for ACPs made to the MassCEC during  
3725 the Compliance Year.

3726 (b) Use of Funds. The Department shall oversee the use of ACP funds by the  
3727 MassCEC.

3728  
3729 (5) Beginning in 2025 and every five years thereafter, the Department shall  
3730 conduct a review of the ACP Rate and consult with DEP on the ACP Rate for the RPS  
3731 Class II Waste Energy Minimum Standard to ensure consistency with the solid waste  
3732 master plan. Following stakeholder comment and input on the review of the ACP  
3733 Rate, the Department may modify the rate for the following five years.

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3737 15.09: Annual Compliance Filings for Retail Electricity Suppliers

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3739 (1) Date of Annual Compliance Filing. For each Compliance Year, the Retail  
3740 Electricity Supplier annually shall file an annual Compliance Filing with the  
3741 Department no later than the first day of July, or the first Business Day thereafter, of  
3742 the subsequent Compliance Year.

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(2) Contents of Annual Compliance Filing. For each Retail Electricity Product, the Filing shall document compliance with the provisions of 225 CMR 15.07 and 15.08 to the satisfaction of the Department and shall include, but not be limited to, the following:

(a) Total Electrical Energy Sales to End-use Customers. Documentation of the total MWhs of electrical energy allocated by the Retail Electricity Supplier to End-use Customers in the Compliance Year. Such allocation is defined as the total quantity of the Supplier's Certificates Obligation that the Retail Electricity Supplier correctly allocated or should have allocated to all of the Retail Electricity Supplier's Massachusetts retail subaccounts in the NEPOOL GIS, in compliance with all relevant provisions of Part 4 of the NEPOOL GIS Operating Rules, or any successor rules, as specified in the Department's Guideline on the Determination of Sales to End-use Customer.

(b) Electrical Energy Sales to End-use Customers by Product. Documentation of the total MWhs of each Retail Electricity Product allocated to End-use Customers in the Compliance Year, verified by an independent third party satisfactory to the Department, consistent with the Guidelines. Such allocation is defined as the quantity of the Supplier's Certificates Obligation that the Retail Electricity Supplier correctly allocated or should have allocated to each of the Retail Electricity Supplier's Massachusetts retail subaccounts at the NEPOOL GIS, in compliance with all relevant provisions of Part 4 of the NEPOOL GIS Operating Rules, or any successor rules, as specified in the Department's Guideline on the Determination of Sales to End-Use Customer. The Department shall keep product information confidential to the extent permitted by law.

(c) Attributes Allocated from the Compliance Year. Documentation of the total MWhs of each Retail Electricity Product allocated to End-use Customers that were derived from both RPS Class II Renewable Generation and RPS Class II Waste Energy generation during the Compliance Year, and which may include electrical energy generated on End-use Customers' sides of retail meters in the ISO-NE Control Area or by Off-grid Generation Units in Massachusetts in the Compliance Year, shall be as follows:

1. For electrical energy transactions included in the ISO-NE Settlement Market System, the Compliance Filings shall include documentation from the NEPOOL GIS administrator of the Retail Electricity Supplier's ownership of GIS Certificates representing both RPS Class II Renewable Generation and RPS Class II Waste Energy generation during the Compliance Year.

2. For electrical energy transactions not included in the ISO-NE Settlement Market System, but for which the Retail Electricity Supplier has secured GIS Certificates from the NEPOOL GIS, the Compliance Filings shall include documentation from the NEPOOL GIS of the Retail Electricity Supplier's ownership of GIS Certificates representing both RPS Class II Renewable Generation and RPS Class II Waste Energy generation during the Compliance Year.

(d) Attributes Allocated from Banked Compliance. Allocation by Retail Electricity Product of any quantity of Attributes banked from one or both of the two previous years pursuant to 225 CMR 15.08(2) that are used to demonstrate

3790 compliance in the current Compliance Year, except that banked RPS Class II  
3791 Waste Energy Generation Attributes cannot be used for compliance with the RPS  
3792 Class II Renewable Generation Minimum Standard and banked RPS Class II  
3793 Renewable Generation Attributes cannot be used for compliance with the RPS  
3794 Class II Waste Energy Generation Minimum Standard.

3795 (e) Alternative Compliance Credits. Allocation by Retail Electricity Product of  
3796 any Alternative Compliance Credits claimed pursuant to 225 CMR 15.08(3),  
3797 along with a copy of any ACP receipt(s).

3798 (f) Attributes Banked for Future Compliance. Identification of any quantity of  
3799 RPS Class II Renewable Generation Attributes and of any RPS Class II Waste  
3800 Energy Generation Attributes that the Retail Electricity Supplier anticipates  
3801 claiming for purposes of Banked Compliance in subsequent years under the  
3802 Banked Compliance provisions of 225 CMR 15.08(2), except that RPS Class II  
3803 Waste Energy Generation Attributes that are in excess of the quantity of such  
3804 Attributes needed for the RPS Class II Waste Energy Minimum in Compliance  
3805 Years 2014 and 2015 cannot be used for Banked Compliance.

3806 (g) Exempt Contracts under the RPS Class II Renewable Generation Minimum  
3807 Standard and the RPS Class II Waste Energy Minimum Standard. Identification  
3808 of any contract for a specific term of years that was executed before January 1,  
3809 2009, and its terms including but not limited to, the execution and expiration dates  
3810 of the contract and the annual volume of electrical energy supplied.

3811  
3812 15.10: Reporting Requirements

3813  
3814 (1) Certification. Any person required by 225 CMR 15.00 to submit documentation  
3815 to the Department shall provide:

3816 (a) the person's name, title and business address;

3817 (b) the person's authority to certify and submit the documentation to the  
3818 Department; and

3819 (c) the following certification: "I hereby certify, under the pains and penalties of  
3820 perjury, that I have personally examined and am familiar with the information  
3821 submitted herein and based upon my inquiry of those individuals immediately  
3822 responsible for obtaining the information, I believe that the information is true,  
3823 accurate, and complete. I am aware that there are significant penalties, both civil  
3824 and criminal, for submitting false information, including possible fines and  
3825 imprisonment."

3826  
3827 (2) Annual Renewable Energy Resource Report. The Department shall produce an  
3828 annual report that summarizes information submitted to the Department by Retail  
3829 Electricity Suppliers in the Annual Compliance Filing submitted to the Department  
3830 pursuant to 225 CMR 15.09(2). Such report shall include non-confidential data that  
3831 provides the following:

3832 (a) the extent to which the Retail Electric Suppliers complied with the RPS Class  
3833 I Minimum Standard, the Solar Carve-out Minimum Standard, and Solar Carve-  
3834 out II Minimum Standard, both separately and combined; and

3835 (b) the extent to which the Retail Electric Suppliers used Standard Compliance,  
3836 Banked Compliance, and Alternative Compliance in meeting the Minimum  
3837 Standards.  
3838

3839 15.11: Inspection  
3840

3841 (1) Document Inspection. The Department may audit the accuracy of all information  
3842 submitted pursuant to 225 CMR 15.00. The Department may request and obtain from  
3843 any Owner or Operator of an RPS Class II Renewable Generation Unit, Waste Energy  
3844 Generation Unit, and any Retail Electricity Supplier information that the Department  
3845 determines necessary to monitor compliance with and enforcement of 225 CMR  
3846 15.00.  
3847

3848 (2) Audit and Site Inspection. Upon reasonable notice to a Retail Electricity  
3849 Supplier, Waste Energy Generation Unit Owner or Operator, or RPS Class II  
3850 Renewable Generation Unit Owner or Operator, the Department may conduct audits,  
3851 which may include inspection and copying of records and/or site visits to an RPS  
3852 Class II Renewable Generation Unit, Waste Energy Generation Unit, or a Retail  
3853 Electricity Supplier's facilities, including, but not limited to, all files and documents  
3854 that the Department determines are related to compliance with 225 CMR 15.00.  
3855

3856 15.12: Non-compliance  
3857

3858 Any Retail Electricity Supplier or Owner or Operator of an RPS Class II  
3859 Renewable Generation Unit that fails to comply with the requirements of 225 CMR  
3860 15.00 shall be subject to the following provisions:  
3861

3862 (1) Notice of Non-compliance. A failure to comply with the requirements of 225  
3863 CMR 15.00 shall be determined by the Department. A written Notice of Non-  
3864 compliance shall be prepared and delivered by the Department to any Retail  
3865 Electricity Supplier or Owner or Operator of an RPS Class II Renewable Generation  
3866 Unit that fails to comply with the requirements of 225 CMR 15.00. The Notice of  
3867 Non-compliance shall describe the Requirement(s) with which the Retail Electricity  
3868 Supplier, Owner, or Operator failed to comply and the time period of such non-  
3869 compliance.  
3870

3871 (2) Publication of Notice of Non-compliance. A Notice of Non-compliance may be  
3872 published on the Department's website and in any other media deemed appropriate by  
3873 the Department. Such publication may remain posted until the Retail Electricity  
3874 Supplier or Owner or Operator returns to compliance as determined by the  
3875 Department.  
3876

3877 (3) Planning Requirement. A Retail Electricity Supplier that fails to meet the  
3878 requirements of 225 CMR 15.07 during a Compliance Year shall submit a plan for  
3879 achieving compliance for the subsequent three years. The plan shall be filed with the  
3880 Department no later than the first day of September of the Compliance Year

3881 subsequent to the Compliance Year for which the Retail Electricity Supplier was out  
3882 of compliance or such date as the Department may specify.

3883  
3884 (4) Suspension or Revocation of License. The Department shall refer its findings of  
3885 non-compliance to the Massachusetts Department of Public Utilities. A Retail  
3886 Electricity Supplier that fails to comply with 225 CMR 15.00 may be subject to the  
3887 Massachusetts Department of Public Utilities Licensure Action under 220 CMR  
3888 11.07(4)(c)1.

3889  
3890 (5) Collection of Financial Security. In the event that a Retail Electricity Supplier fails  
3891 to discharge its annual obligations by September 1 of a compliance year under 225  
3892 CMR 15.07, by the means described in 225 CMR 15.08(1) through (4), the  
3893 Department will notify the Retail Electricity Supplier that it must provide the  
3894 Department with a payment using the financial security of which it provided pursuant  
3895 to 225 CMR 14.08(4), unless a Retail Electricity Supplier has an approved alternative  
3896 payment plan to discharge its annual obligations in full that has been approved by the  
3897 Department prior to September 1<sup>st</sup>. The payment shall, within 30-days of notification  
3898 by the Department, be deposited into the Alternative Compliance Payment fund  
3899 established in 225 CMR 14.08(3) pursuant to the provisions of 225 CMR 14.12(5).

3900  
3901 (6) Partial Compliance. In the event that the collection of financial security under 225  
3902 CMR 14.12(5) results in the collection of an amount of Alternative Compliance  
3903 Payments that is insufficient to discharge a Retail Electricity Supplier's full annual  
3904 obligations under 225 CMR 15.07, the Retail Electricity Supplier will remain in a state  
3905 of non-compliance, and the Department will take the necessary actions to document  
3906 and enforce this non-compliance, pursuant to 225 CMR 15.12(1) through (4).

3907  
3908 (7) The Department reserves all rights to take any and all appropriate actions to ensure  
3909 the collection of all Alternative Compliance Payments owed to ensure annual  
3910 compliance obligations are fully discharged by a Retail Electricity Supplier, including,  
3911 but not limited to, filing a petition with the Department of Public Utilities requesting  
3912 an investigation into a supplier that is deemed to be in non-compliance by the  
3913 Department.

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3915  
3916 15.13: Severability

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3918 If any provision of 225 CMR 15.00 is declared invalid, such invalidity shall not  
3919 affect other provisions or applications that can be given effect without the invalid  
3920 provision or application.

3921  
3922  
3923 REGULATORY AUTHORITY

3924  
3925 225 CMR 15.00: M.G.L. c. 25A, § 11F.