



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

June 25, 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 28, 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 28th 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 completed its review of the proposed biomass amendments and submits the attached proposed final amendments of the RPS regulations 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,

A handwritten signature in blue ink that reads "Patrick Woodcock". The signature is written in a cursive style with a large initial "P" and "W".

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 2025. Following the enactment of the 2021 Climate Act, the RPS will then increase 3% each following year until 2030 when the rate returns to 1%. 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 filed today entail the changes to the Regulations that relate to biomass. The changes 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, and address specific policy objectives. Due to the Climate Act becoming effective June 24, 2021, the increase to the RPS rate between 2025-2029 has not been reflected in the proposed changes.

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. DOER further revised two provisions relating to biomass generation and released them from public comment on April 16, 2021.

The draft RPS Class I and Class II Regulations include previously proposed biomass provisions such as fixing the overall efficiency requirement, maintaining air permit requirements, streamlining biomass reporting requirements. Following the review of the public comments and the additional analysis, DOER made additional minor modifications to the biomass provisions, including clarifying feedstock eligibility, increasing the overall efficiency requirement for biomass Generation Units, mandating all new biomass Generation Units to meet the overall efficiency requirement, prohibiting biomass Generation Units if they are located near an Environmental Justice Community, reducing the time period to achieve a reduction in lifecycle greenhouse gas emissions and explicitly prohibiting generation of certificates if lifecycle greenhouse gas emission reductions are not achieved.

# HOUSE . . . . . No. 3923

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) Class I and Class II. Telecommunications, Utilities and Energy.

## The Commonwealth of Massachusetts

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

1 225 CMR: DEPARTMENT OF ENERGY RESOURCES 225 CMR 14.00: RENEWABLE  
2 ENERGY PORTFOLIO STANDARD - CLASS I

3 Section

4  
5 14.01: Authority

6 14.02: Definitions

7 14.03: Administration

8 14.04: Applicability

9 14.05: Eligibility Criteria for RPS Class I, Solar Carve-out Renewable Generation Units,  
10 and Solar Carve-out II Renewable Generation Units

11 14.06: Qualification Process for RPS Class I, Solar Carve-out Renewable Generation Units,  
12 and Solar Carve-out II Renewable Generation Units

13 14.07: Renewable Energy Portfolio Standard - Class I

14 14.08: Compliance Procedures for Retail Electricity Suppliers

15 14.09: Annual Compliance Filings for Retail Electricity Suppliers

16 14.10: Reporting Requirements

17 14.11: Inspection

18 14.12: Non-compliance

19 14.13: Severability

20

21 14.01: Authority

22

23 225 CMR 14.00 is promulgated pursuant to M.G.L. c. 25A, § 11F.

24

25 14.02: Definitions

26

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

30

31 Alternative Compliance Credit. A credit obtained by a Retail Electricity Supplier  
32 upon making an Alternative Compliance Payment. Such credit is used to document

33 compliance with 225 CMR 14.07. One unit of credit shall be equivalent to one RPS  
34 Class I Renewable Generation Attribute, Solar Carve-out Renewable Generation  
35 Attribute, or Solar Carve-out II Renewable Generation Attribute.

36  
37 Alternative Compliance Payment (ACP). A payment of a certain dollar amount per  
38 MWh, resulting in the issuance of Alternative Compliance Credits, which a Retail  
39 Electricity Supplier may submit to the Department in lieu of providing RPS Class I  
40 Renewable Generation Attributes, Solar Carve-out Renewable Generation  
41 Attributes, or Solar Carve-out II Renewable Generation Attributes required under  
42 225 CMR 14.07.

43  
44 Assurance of Qualification. A communication issued by the Department to Solar  
45 Carve-out II Renewable Generation Units that provides Solar Carve-out II  
46 Renewable Generation Units with an assurance of qualification prior to being  
47 granted the approval to interconnect by their local Distribution Company, and sets  
48 deadlines for receiving the approval to interconnect to the grid in order to maintain  
49 this Assurance of Qualification.

50  
51 Authorized Agent. A person or entity that serves under an agreement entered into by  
52 each of the Owners or Operators of Generation Units within an Aggregation for all  
53 dealings with the Department and with the NEPOOL GIS.

54  
55 Biomass Fuel Certificate. A certificate issued in accordance with rules established by  
56 the Department in the *Guideline on Eligible Biomass Fuel for Renewable*  
57 *Generation Units* that:

- 58 (a) quantifies the supply of Eligible Biomass Woody Fuel or Manufactured  
59 Biomass Fuel;
- 60 (b) specifies the source of the Eligible Biomass Woody Fuel or Manufactured  
61 Biomass Fuel; and
- 62 (c) specifies the eligibility of the Eligible Biomass Woody Fuel or Manufactured  
63 Biomass Fuel as Forest Derived Residues, Forest Derived Thinnings, Forest  
64 Salvage, or Non-forest Derived Residues.

65  
66 Blended Fuel. A liquid or gaseous fuel that is blended from both Eligible RPS Class  
67 I Renewable Fuel(s) and ineligible fuel(s), a portion of whose electrical energy  
68 output may qualify as RPS Class I Renewable Generation under criteria set forth in  
69 225 CMR 14.05(3).

70  
71 Brownfield. A disposal site that has received a release tracking number from  
72 MassDEP pursuant to 310 CMR 40.0000: *Massachusetts Contingency Plan*, the  
73 redevelopment or reuse of which is hindered by the presence of oil or hazardous  
74 materials, as determined by the Department, in consultation with MassDEP. For the  
75 purposes of this definition, the terms "disposal site," "release tracking number,"  
76 "oil," and "hazardous materials" shall have the meanings giving to such terms in 310  
77 CMR 40.0006: *Terminology, Definitions and Acronyms*. No disposal site that  
78 otherwise meets the requirements of 225 CMR 14.02: Brownfield shall be excluded

79 from consideration as a Brownfield because its cleanup is also regulated by the  
80 Comprehensive Environmental Response, Compensation and Liability Act, 42  
81 U.S.C. §§ 9601-9675, the Resource Conservation and Recovery Act, 42 U.S.C. §§  
82 6921 - 6939g, or any other federal program.

83  
84 Building Mounted Solar Generation Unit. A solar photovoltaic Generation Unit with  
85 at least 75% of the nameplate capacity of the solar modules used for generating  
86 power installed on a building.

87  
88 Business Day. A business day shall mean Monday through Friday, exclusive of state  
89 and federal legal holidays.

90  
91 Certificates Obligation. A term defined in the NEPOOL GIS Operating Rules at  
92 Rule 4.1(b).

93  
94 Clean Wood. Clean Wood as defined in 310 CMR 19.006.

95  
96 Commercial Operation Date. The date that a Generation Unit first produces electrical  
97 energy for sale within the ISO-NE Control Area or within an adjacent Control Area.  
98 In the case of a Generation Unit that has been moved from a location within the ISO-  
99 NE Control Area or within an adjacent Control Area to another location in one of  
100 those Control Areas, the date that such Generation Unit first produced electrical  
101 energy for sale at its earliest location in those Control Areas. In the case of a  
102 Generation Unit that is connected to the End-use Customer's side of the electric  
103 meter, the date on which the local Distribution Company grants approval for the  
104 Generation Unit to interconnect with the grid. In the case of a Generation Unit that  
105 produces Off-grid Generation, the date that such Generation Unit first produces  
106 electrical energy. In the case of a Generation Unit that meets the eligibility  
107 requirements of 225 CMR 14.05 and co-fires an Eligible RPS Class I Renewable  
108 Fuel, the date when the Generation Unit first co-fires such Eligible RPS Class I  
109 Renewable Fuel.

110  
111 Community Shared Solar Generation Unit. A solar photovoltaic Generation Unit that  
112 provides net metering credits to three or more utility accounts, whose participants  
113 have an interest in the production of the Generation Unit or the entity that owns the  
114 Generation Unit, in the form of formal ownership, a lease agreement, or a net  
115 metering contract. No more than two participants may receive net metering credits in  
116 excess of those produced annually by 25 kW of nameplate DC capacity, and the  
117 combined share of said participants' capacity shall not exceed 50% of the total  
118 capacity of the Generation Unit.

119  
120 Compliance Filing. A document filed annually by a Retail Electricity Supplier with  
121 the Department documenting compliance with 225 CMR 14.07, consistent with the  
122 format set forth in the Guidelines and submitted no later than the first day of July, or  
123 the first Business Day thereafter, of the subsequent Compliance Year.  
124

125 Compliance Year (CY). A calendar year beginning January 1<sup>st</sup> and ending December  
126 31<sup>st</sup>, for which a Retail Electricity Supplier must demonstrate that it has met the  
127 requirements of 225 CMR 14.07 and 14.08.  
128

129 Control Area. A geographic region in which a common generation control system is  
130 used to maintain scheduled interchange of electrical energy within and without the  
131 region.  
132

133 DCR. The Massachusetts Department of Conservation and Recreation (DCR)  
134 established by M.G.L. c. 21 § 1.  
135

136 Distribution Company. A distribution company as defined in M.G.L. c. 164 § 1.  
137

138 Department. The Massachusetts Department of Energy Resources (DOER),  
139 established by M.G.L. c. 25A.  
140

141 Eligible Biogas Fuel. A gaseous fuel that is produced by the contemporaneous  
142 bacterial decomposition or thermal gasification of Eligible Biomass Fuel. Eligible  
143 Biogas Fuel does not include natural gas, but does include renewable natural gas,  
144 which is Eligible Biogas Fuel upgraded to a quality similar to natural gas.  
145

146 Eligible Biomass Fuel. Fuel sources consisting of the following:

- 147 (a) Eligible Biomass Woody Fuel;
- 148 (b) Manufactured Biomass Fuel;
- 149 (c) Eligible Biogas Fuel;
- 150 (d) by-products or waste from animals or agricultural crops;
- 151 (e) food or vegetative material;
- 152 (f) algae;
- 153 (g) organic refuse derived fuel; and
- 154 (h) Eligible Liquid Biofuel.  
155

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

158 (a) Forest Derived Residues.

- 159 1. Tops, crooks and other portions of trees produced as a byproduct, and  
160 trees collaterally damaged, during the normal course of harvesting material,  
161 such as timber, pulpwood or cordwood in the implementation of a  
162 silvicultural prescription as administered by a licensed or certified forester as  
163 prescribed in the Department's *Guideline on Eligible Biomass Fuel for*  
164 *Renewable Generation Units*.
- 165 2. Trees and portions of trees harvested for the purpose of the restoration and  
166 management of habitat for rare & endangered species as listed by the  
167 Massachusetts Division of Fisheries and Wildlife. Qualifying harvest areas  
168 must be approved by the Massachusetts Division of Fisheries and Wildlife  
169 Natural Heritage Program.



170 3. Other woody vegetation that interferes with regeneration or the natural  
171 growth of the forest, limited to locally invasive native species and non-native  
172 invasive woody vegetation.

173 (b) Forest Derived Thinnings

174 1. Unacceptable growing stock which is defined as trees considered  
175 structurally weak or have low vigor and do not have the potential to  
176 eventually yield an eight foot sawlog or survive for at least the next ten years.

177 2. Trees removed during thinning operations, the purpose of which is to  
178 reduce stand density and enhance diameter growth and volume of the  
179 residual stand.

180 (c) Forest Salvage.

181 1. Damaged, dying or dead trees removed due to injurious agents, such as  
182 wind or ice storms or the spread of invasive epidemic forest pathogens,  
183 insects and diseases or other epidemic biological risks to the forest, but not  
184 removed due to competition. Such eligible trees may be removed without  
185 limitation for biomass fuel, only if the injurious agent is a threat to forest  
186 health or risk to private or public resources, and if the United States  
187 Department of Agriculture Animal and Plant Health Inspection Service, the  
188 United States Department of Agriculture Forest Service, or appropriate  
189 federal or state governmental agency has issued a declaration, rule, or order  
190 declaring a major threat to forest health or risk to private or public resources,  
191 or if they are harvested through a DCR-approved cutting plan.

192 2. Trees removed to reduce fire hazard within fire-adapted forest  
193 ecosystems, as certified by a letter to the Department from the state agency  
194 responsible for forestry in consultation with the appropriate environmental  
195 state agencies.

196 (d) Non-forest Derived Residues.

197 1. Forest products industry: Residues derived from wood products  
198 manufacturing consisting of Clean Wood.

199 2. Land use change – agricultural: Trees cut or otherwise removed in the  
200 process of converting forest land to agricultural usage, either for new or  
201 restored farm land.

202 3. Wood waste: Post-consumer wood products from Clean Wood; pruned  
203 branches, stumps, and whole trees removed during the normal course of  
204 maintenance of public or private roads, highways, driveways, utility lines,  
205 rights of way, and parks.

206 4. Agricultural wood waste. Pruned branches, stumps, and whole trees  
207 resulting from maintenance activities directly related to the production of an  
208 agricultural product that is not Clean Wood.

209  
210 Eligible Landfill. A landfill that has received an approval from MassDEP for the use  
211 of a solar photovoltaic Generation Unit at the landfill as a post-closure use pursuant  
212 to 310 CMR 19.143: *Post-closure Use of Landfills.*

213  
214 Eligible Liquid Biofuel. A liquid fuel that is derived from organic waste feedstock  
215 and meets the standards for advanced biofuels under the Environmental Protection

216 Agency's Renewable Fuel Standard (RFS2) program. Organic waste feedstocks  
217 shall include, but not be limited to, waste vegetable oils, waste animal fats, or grease  
218 trap waste. Eligible Liquid Biofuel shall not include petroleum-based waste or  
219 Hazardous Waste as defined in 310 CMR 40.0006: *Terminology, Definitions, and*  
220 *Acronyms*, unless otherwise determined by the Department in consultation with  
221 MassDEP.

222  
223 Eligible RPS Class I Renewable Fuel. An Eligible Biomass Fuel, hydrogen derived  
224 from such fuels or hydrogen derived from water using the electrical output of a  
225 Renewable Generation Unit, but not hydrogen derived using RPS Class I Renewable  
226 Generation if the RPS Class I Renewable Generation Attributes of such Generation  
227 are sold, retired, claimed, used or represented as part of electrical energy output or  
228 sales, or used to satisfy regulatory obligations in any jurisdictions, and not hydrogen  
229 derived directly or indirectly from ineligible fuels.

230  
231 Emergency Power Generation Unit. A solar photovoltaic Generation Unit installed  
232 for the purpose of providing 67% or more of its annual electric output to be used on-  
233 site as prescribed by 225 CMR 14.09(a) at critical infrastructure that can be utilized  
234 in the event of an emergency or power outage. For purposes of Emergency Power  
235 Generation Unit, critical infrastructure includes, but is not limited to, the following:  
236 hospitals, police and fire stations, airports, emergency management agencies,  
237 acute/post-acute medical facilities with life sustaining equipment, water and sewer  
238 treatment facilities, pump stations, evacuation centers, and emergency  
239 communications centers that serve a life safety function.

240  
241 End-use Customer. A person or entity in Massachusetts that purchases electrical  
242 energy at retail from a Retail Electricity Supplier, except that a Generation Unit  
243 taking station service at wholesale from ISO-NE or self-supplying from its owner's  
244 other generating stations, shall not be considered an End-use Customer.

245  
246 Generation Attribute. A non-price characteristic of the electrical energy output of a  
247 Generation Unit including, but not limited to, the Generation Unit's fuel type,  
248 emissions, vintage and RPS eligibility.

249  
250 Generation Unit. A facility that converts a fuel or an energy resource into electrical  
251 energy.

252  
253 Geothermal Energy. Heat energy stored in the Earth's crust that can be accessed for  
254 electric power generation.

255  
256 GIS Certificate. An electronic record produced by the NEPOOL GIS that identifies  
257 Generation Attributes of each MWh accounted for in the NEPOOL GIS.

258  
259 Guideline. A set of clarifications, interpretations, and procedures, including forms,  
260 developed by the Department to assist in compliance with the requirements of 225  
261 CMR 14.00. The Department may issue new or revised Guidelines from time to

262 time. Each Guideline shall be effective on its date of issuance or on such date as is  
263 specified therein, except as otherwise provided in 225 CMR 14.00.

264  
265 Historical Generation Rate. The average annual electrical production from a Vintage  
266 Generation Unit that meets the requirements of 225 CMR 14.05(1)(a), stated in  
267 MWhs, for the three calendar years 1995 through 1997, or for the first 36 months  
268 after the Commercial Operation Date if that date is after January 1, 1995.

269  
270 Hydroelectric Energy. Electrical energy from a Generation Unit that uses flowing  
271 freshwater as the primary energy resource, with or without a dam structure or other  
272 means of regulating water flow, and that is not located at a facility that uses  
273 mechanical or electrical energy to pump water into a storage facility (*i.e.*, a so-called  
274 "pumped-storage facility").

275  
276 Impacted Watershed. All water bodies or areas of land hydrologically connected to a  
277 hydroelectric facility, whether located upstream or downstream, which may  
278 experience any alteration of their physical, biological, or ecological characteristics as  
279 a result of the operation or increased capacity expansion of a hydroelectric  
280 Generation Unit.

281  
282 ISO-NE. ISO New England Inc., the independent system operator for New England,  
283 the regional transmission organization for most of New England, which is authorized  
284 by the Federal Energy Regulatory Commission (FERC) to exercise for the New  
285 England Control Area the functions required pursuant to the FERC's Order No.  
286 2000, the FERC's corresponding regulations.

287  
288 ISO-NE Settlement Market System. The ISO-NE's electronic database system into  
289 which all real-time load and generation data are entered and from which such data  
290 are provided to the NEPOOL GIS.

291  
292 Low Impact Hydropower Institute (LIHI). A non-profit 501(c)(3) organization  
293 whose stated purpose is to reduce the impacts of hydropower generation through the  
294 certification of hydropower projects that have avoided or reduced their  
295 environmental impacts pursuant to the Low Impact Hydropower Institute's criteria.

296  
297 Manufactured Biomass Fuel. A biomass fuel that is prepared, other than by means of  
298 fuel drying, through a fuel processing facility that is separate from a Generation Unit  
299 and that utilizes Eligible Biomass Woody Fuel for production. Examples include, but  
300 are not limited to, the mechanical production of wood pellets or bio-dust, and the  
301 refinement of bio-oil through pyrolysis.

302  
303 Marine or Hydrokinetic Energy. Electrical energy derived from waves, tides and  
304 currents in oceans, estuaries and tidal areas; free-flowing water in rivers, lakes,  
305 streams, and human-made channels, provided that such water is not diverted,  
306 impounded, or dammed; or differentials in ocean temperature, called ocean thermal  
307 energy conversion.

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

310  
311 Massachusetts Renewable Energy Trust. The Trust under M.G.L. c. 23J, § 9, which  
312 administers renewable energy programs for the Commonwealth.

313  
314 MassDEP. The Massachusetts Department of Environmental Protection established  
315 by M.G.L. c. 21A, § 7.

316  
317 Megawatt (MW). A unit of power equal to one million watts.

318  
319 Megawatt-hour (MWh). A unit of electrical energy or work equivalent to one million  
320 watts of power operating for one hour, or, for the purpose of thermal energy, a unit  
321 of energy equal to 3,412,000 British Thermal Units (Btu).

322  
323 Merchantable Bio-products. Products that are refined from a biomass fuel by a bio-  
324 refinery project in which the Generation Unit is integral. Products include but are not  
325 limited to merchantable chemicals such as additives, lubricants, or specialty  
326 chemicals, and other products which can be permanently sequestered for carbon  
327 reductions.

328  
329 NEPOOL GIS. The NEPOOL Generation Information System, which includes a  
330 generation information database and certificate system, operated by the New  
331 England Power Pool (NEPOOL), its designee or successor entity, that accounts for  
332 Generation Attributes of electrical energy consumed and generated within, imported  
333 into, or exported from the ISO-NE Control Area.

334  
335 Off-grid Generation. The electrical energy produced by a Generation Unit that is not  
336 connected to a utility transmission or distribution system.

337  
338 Operator. Any person or entity that has charge or control of a Generation Unit  
339 subject to 225 CMR 14.00, including without limitation a duly authorized agent or  
340 lessee of the Owner, or a duly authorized independent contractor.

341  
342 Opt-In Term. The number of calendar quarters that a Solar Carve-out Renewable  
343 Generation Unit may generate Solar Carve-out Renewable Generation Attributes that  
344 are eligible to be deposited into the Solar Credit Clearinghouse Auction Account, as  
345 described in 225 CMR 14.05(4)(c) through (j).

346  
347 Owner. Any person or entity that, alone or in conjunction with others, has legal  
348 ownership, a leasehold interest, or effective control over the real property or property  
349 interest upon which a Generation Unit is located, or the airspace above said real  
350 property, including without limitation a duly authorized agent of the Owner. For the  
351 purposes of 225 CMR 14.02, Owner does not mean a person or entity holding legal  
352 title or security interest solely for the purpose of providing financing.

353 Power Conversion Technology. The design, process, and equipment by which an  
354 energy resource is converted into useful energy, as specified in Guidelines.  
355

356 Relevant Hydroelectric Agency. A federal, state or provincial agency with oversight  
357 over fish and wildlife, water quality, river flows, fish passage and protection,  
358 mitigation and enhancement opportunities, related to a hydroelectric facility located  
359 in the Impacted Watershed or that impacts downstream or upstream passage of fish  
360 and wildlife.

361  
362 Renewable Generation. The electrical energy output of a Renewable Generation  
363 Unit.  
364

365 Renewable Generation Attribute. The Generation Attribute of the electrical energy  
366 output of a specific Generation Unit that derives from the Generation Unit's  
367 production of Renewable Generation.  
368

369 Renewable Generation Unit. A Generation Unit that uses an Eligible RPS Class I  
370 Renewable Fuel, Hydroelectric Energy, waste-to-energy that is a component of  
371 conventional municipal solid waste plant technology in commercial use, or any of  
372 the fuels, energy resources or technologies set forth in 225 CMR 14.05(1)(a).  
373

374 Retail Electricity Product. An electrical energy offering that is distinguished by its  
375 Generation Attributes and that is offered for sale by a Retail Electricity Supplier to  
376 End-use Customers.  
377

378 Retail Electricity Supplier. A person or entity that sells electrical energy to End-use  
379 Customers in Massachusetts, including but not limited to Distribution Companies  
380 supplying basic service or any successor service to End-use Customers. A Municipal  
381 Lighting Plant shall be considered a Retail Electricity Supplier; however, it shall be  
382 exempt from the obligations of a Retail Electricity Supplier under 225 CMR 14.00  
383 so long as and insofar as it is exempt from the requirements to allow competitive  
384 choice of generation supply pursuant to M.G.L. c. 164, § 47A.  
385

386 RPS Class I Renewable Generation. The electrical energy output excluding any  
387 electrical energy utilized for parasitic load of a RPS Class I Renewable Generation  
388 Unit, or that portion of the electrical energy output excluding any electrical energy  
389 utilized for parasitic load of an RPS Class I Renewable Generation Unit that  
390 qualifies under:

- 391 (a) the Special Provisions for Incremental Generating Capacity, pursuant to 225  
392 CMR 14.05(2) issued on or after January 1, 2009;
- 393 (b) a Vintage Waiver, pursuant to 225 CMR 14.05(2) issued before January 1,  
394 2009;
- 395 (c) a Co-firing and Blended Fuel Waiver, pursuant to 225 CMR 14.05(3);
- 396 (d) the Special Provisions for a Generation Unit Located in a Control Area  
397 Adjacent to the ISO-NE Control Area, pursuant to 225 CMR 14.05(5); or
- 398 (e) any other applicable provision of 225 CMR 14.00.

399 RPS Class I Renewable Generation Attribute. The Generation Attribute of the  
400 electrical energy output of a specific RPS Class I Renewable Generation Unit that  
401 derives from the Generation Unit's production of RPS Class I Renewable  
402 Generation.

403  
404 RPS Class I Renewable Generation Unit. A Generation Unit or Aggregation that has  
405 received a Statement of Qualification from the Department, including a Generation  
406 Unit or Aggregation termed a New Renewable Generation Unit in a Statement of  
407 Qualification issued by the Department pursuant to 225 CMR 14.00 before January  
408 1, 2009, but does not include Solar Carve-out Renewable Generation Units.

409  
410 Solar Canopy. A solar photovoltaic Generation Unit with at least 75% of the  
411 nameplate capacity of the solar modules used for generating power installed on top  
412 of a parking surface or above a pedestrian walkway, so as to maintain the parking or  
413 pedestrian function of the surface.

414  
415 Solar Carve-out Program Capacity Cap. The capacity, in MW, of Solar Carve-Out  
416 Renewable Generation Units qualified by the Department through June 30, 2014,  
417 and as announced on its website by the Department no later than July 31, 2014.

418  
419 Solar Carve-out II Program Capacity Cap. The aggregate eligible capacity, in MW,  
420 of Solar Carve-out II Renewable Generation Units qualified by the Department upon  
421 the establishment of a new incentive program, minus the Solar Carve-out Program  
422 Capacity Cap.

423  
424 Solar Carve-out Renewable Generation. The electrical output of a Solar Carve-out  
425 Renewable Generation Unit that qualifies for the Solar Carve-out under 225 CMR  
426 14.05(4), excluding any electrical energy utilized for parasitic load.

427  
428 Solar Carve-out II Renewable Generation. The electrical output of a Solar Carve-out  
429 II Renewable Generation Unit that qualifies for the Solar Carve-out II under 225  
430 CMR 14.05(9), excluding any electrical energy utilized for parasitic load.

431  
432 Solar Carve-out Renewable Generation Attribute. The Generation Attribute of the  
433 electrical energy output of a specific Solar Carve-out Renewable Generation Unit  
434 that derives from the Generation Unit's production of Solar Carve-out Renewable  
435 Generation.

436  
437 Solar Carve-out II Renewable Generation Attribute. The Generation Attribute of the  
438 electrical energy output of a specific Solar Carve-out II Renewable Generation Unit  
439 that derives from the Generation Unit's production of Solar Carve-out II Renewable  
440 Generation.

441  
442 Solar Carve-out Renewable Generation Unit. A Generation Unit or Aggregation that  
443 has received a Statement of Qualification from the Department that specifies its  
444 qualification for participation in the Solar Carve-out under 225 CMR 14.05(4).

445 Solar Carve-out II Renewable Generation Unit. A Generation Unit or Aggregation  
446 that has received a Statement of Qualification from the Department that specifies its  
447 qualification for participation in the Solar Carve-out II under 225 CMR 14.05(9).  
448

449 Solar Renewable Energy Certificate II (SREC II). A GIS Certificate that represents  
450 the RPS Class I Renewable Generation Attributes and Solar Carve-out II Renewable  
451 Generation Attributes of the Renewable Generation from a Solar Carve-out II  
452 Renewable Generation Unit.  
453

454 Statement of Qualification. A written document from the Department that qualifies a  
455 Generation Unit or Aggregation as an RPS Class I Qualified Generation Unit, a  
456 Solar Carve-out Renewable Generation Unit, or a Solar Carve-out II Renewable  
457 Generation Unit, or that qualifies a portion of the annual electrical energy output of a  
458 Generation Unit or Aggregation as RPS Class I Renewable Generation Solar Carve-  
459 out Renewable Generation, or Solar Carve-out II Renewable Generation.  
460

461 Sustainable Forestry Management. Practicing a land stewardship ethic that integrates  
462 the reforestation, managing, growing, nurturing, and harvesting of trees for useful  
463 products with the conservation of soil, air and water quality, wildlife and fish habitat,  
464 and aesthetics and the stewardship and use of forests and forest lands in a way, and a  
465 rate, that maintains their biodiversity, productivity, regeneration capacity, vitality,  
466 and potential to fulfill, now and in the future, relevant ecological, economic, and  
467 social functions at local, national, and global levels, and that does not cause damage  
468 to other ecosystems. Criteria for sustainable forestry include:

- 469 (a) conservation of biological diversity;
- 470 (b) maintenance of productive capacity of forest ecosystems;
- 471 (c) maintenance of forest ecosystem health and vitality;
- 472 (d) conservation and maintenance of soil and water resources;
- 473 (e) maintenance of forest contributions to global carbon cycles;
- 474 (f) maintenance and enhancement of long-term multiple socioeconomic benefits  
475 to meet the needs of societies; and
- 476 (g) a legal, institutional, and economic framework for forest conservation and  
477 sustainable management.  
478

479 Useful Thermal Energy. Energy in the form of direct heat, steam, hot water, or other  
480 thermal form that is used in production and beneficial measures for heating, cooling,  
481 humidity control, process use, or other valid thermal end use energy requirements,  
482 for which fuel or electricity would otherwise be consumed. Thermal energy used to  
483 produce a dried or refined biomass fuel shall not be considered Useful Thermal  
484 Energy if the biomass fuel produced is used to fuel the Generation Unit that dried or  
485 refined the biomass fuel.  
486

487 Valid Air Permit. Within the United States, a current and effective authorization,  
488 license, certificate, or like approval to construct and/or operate a source of air  
489 pollution, issued or required by the regulatory agency designated in the applicable  
490 State Implementation Plan to issue permits under the Clean Air Act, 42 U.S.C. §§

491 7401, *et seq.* In jurisdictions outside of the United States, it shall be a document  
492 demonstrating an equivalent authorization.

493  
494 Vintage Generation. The electrical energy output of a Vintage Generation Unit  
495 during the period of the Generation Unit's Historical Generation Rate.

496  
497 Vintage Generation Unit. A Generation Unit that meets the requirements of 225  
498 CMR 14.05(1), that has a Commercial Operation Date of December 31, 1997, or  
499 earlier, and for which the Department issued a Statement of Qualification under the  
500 Vintage Waiver provision in 225 CMR 14.05(2) before January 1, 2009.

501  
502 14.03: Administration

503  
504 225 CMR 14.00 shall be administered by the Department.

505  
506 14.04: Applicability

507  
508 225 CMR 14.00 applies to Retail Electricity Suppliers and to the Owners or  
509 Operators of RPS Class I Renewable Generation Units, Solar Carve-out Renewable  
510 Generation Units, and Solar Carve-out II Renewable Generation Units.

511  
512 14.05: Eligibility Criteria for RPS Class I, Solar Carve-out Renewable Generation Units, and  
513 Solar Carve-out II Renewable Generation Units

514  
515 (1) Eligibility Criteria. A Generation Unit may qualify as an RPS Class I Renewable  
516 Generation Unit, a Solar Carve-out Renewable Generation Unit, or Solar Carve-out  
517 II Renewable Generation Unit subject to the limitations in 225 CMR 14.05.

518  
519 (a) Fuels, Energy Resources and Technologies. The Generation Unit shall use  
520 one or more of the fuels, energy resources and/or technologies listed in 225 CMR  
521 14.05(1)(a)1. through 9.

522  
523 1. Solar photovoltaic or solar thermal electric energy.

524  
525 2. Wind energy.

526  
527 3. Ocean thermal, wave or tidal energy.

528  
529 4. Fuel cells using an Eligible RPS Class I Renewable Fuel.

530  
531 5. Landfill methane gas, provided that such gas is either conveyed directly to  
532 the Generation Unit without the use of facilities used as common carriers of  
533 natural gas, or transported to a Generation Unit within the ISO-NE Control  
534 Area or an adjacent Control Area via a common carrier of natural gas, in  
535 which instance the gas would be subject to the following provisions:

536



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

539  
540 b. documentation is provided, satisfactory to the Department, regarding  
541 the gas transportation and related contracts; and

542  
543 c. demonstration is provided, satisfactory to the Department, that the gas  
544 can be physically delivered to the Generation Unit.

545  
546 6. Hydroelectric. An Generation Unit that uses Hydroelectric Energy may  
547 qualify as an RPS Class I Generation Unit, subject to the limitations in 225  
548 CMR 14.05(1)(a)6.

549  
550 a. The Generation Unit has a nameplate capacity up to 30 megawatts, or  
551 increased capacity installed or efficiency improvements implemented  
552 after December 31, 1997, the aggregate of which increased capacity or  
553 efficiency improvements does not exceed 30 megawatts.

554  
555 b. The Generation Unit does not involve any dam or water diversion  
556 structure constructed after December 31, 1997, or pumped storage of  
557 water.

558  
559 c. The Generation Unit does not generate Marine or Hydrokinetic Energy.

560  
561 d. The Generation Unit meets appropriate and site-specific standards that  
562 address adequate and healthy river flows, water quality standards, fish  
563 passage and protection measures and mitigation and enhancement  
564 opportunities in the Impacted Watershed, as determined by the  
565 Department in consultation with Relevant Hydroelectric Agencies. The  
566 Generation Unit shall demonstrate compliance with such standards by  
567 submitting the documentation required in either 225 CMR  
568 14.05(1)(a)6.d.i or ii.

569  
570 i. LIHI Certification of the Generation Unit; except that in either of  
571 the two circumstances provided in 225 CMR 14.05(1)(a)6.d.i, the  
572 Department may request further information from the applicant and  
573 the Relevant Hydroelectric Agencies as part of its review of the  
574 applicant's Statement of Qualification Application. The Department  
575 shall notify the applicant of any such input from a Relevant  
576 Hydroelectric Agency not later than 30 days after receiving such  
577 input and shall provide the applicant an opportunity to respond to the  
578 Department not later than 30 days after the applicant's receipt of such  
579 notice from the Department.

580  
581 (i). If a Relevant Hydroelectric Agency identified an  
582 environmental concern and a proposed remedy to LIHI during the

583 LIHI certification process, and such concern was not addressed in  
584 the LIHI certification to the satisfaction of the Agency, and the  
585 Agency consulted with the Owner or Operator of the Generation  
586 Unit; or

587  
588 (ii). If, between issuance of the LIHI certification and the  
589 Department's determination of the Generation Unit's eligibility, a  
590 Relevant Hydroelectric Agency submits to the Department  
591 evidence of a significant environmental problem not previously  
592 known by such Agency, after consulting with the Owner or  
593 Operator of the Generation Unit.

594  
595 ii. A denial of certification from LIHI specifying the reasons the  
596 certification was denied and the applicant's proposed rationale for  
597 why the project should nevertheless receive a Statement of  
598 Qualification. In this instance, the Department shall notify and seek  
599 input from the Relevant Hydroelectric Agencies, which shall have 30  
600 days from the date of their receipt of such notification to provide  
601 feedback to the Department. The Owner or Operator of the  
602 Generation Unit shall be notified of any such input and shall have 30  
603 days from receipt of such notice to respond to the satisfaction of the  
604 Department as to why its Application should be approved. The  
605 Department thereafter shall make finding of whether the Generation  
606 Unit meets appropriate environmental safeguards despite the lack of  
607 LIHI certification.

608  
609 e. The Owner or Operator of the Generation Unit must serve notice to all  
610 Relevant Hydroelectric Agencies of its application for LIHI certification.  
611 The Owner or Operator of the Generation Unit also must serve notice to  
612 all Relevant Hydroelectric Agencies, and provide opportunity for  
613 comment within 30 days of such notice, with regard to its submission of a  
614 Statement of Qualification Application. Notice of such service must be  
615 provided to the Department.

616  
617 f. If LIHI fails to act to certify or deny certification within 180 days from  
618 the date of submission of the Generation Unit's application to LIHI, the  
619 Owner or Operator shall file notice of such event with the Department.  
620 The Department shall review the federal, state or provincial permits for  
621 the Generation Unit and any submissions to LIHI by Relevant  
622 Hydroelectric Agencies, and shall make a final determination as to  
623 whether the Generation Unit meets environmental standards specified in  
624 225 CMR 14.05(1)(a)6.d.

625  
626 g. If LIHI is unable to review for certification a Generation Unit that is  
627 located in a Control Area adjacent to the ISO-NE Control Area and  
628 outside the United States of America, the Owner or Operator of such

629 Generation Unit may petition the Department for certification using the  
630 LIHI standards by an independent third party acceptable to the  
631 Department.  
632

633 7. Low-emission, Advanced Biomass Power Conversion Technologies Using  
634 an Eligible Biomass Fuel. A Generation Unit may qualify as an RPS Class I  
635 Renewable Generation Unit, provided it uses an Eligible Biomass Fuel,  
636 subject to the limitations in 225 CMR 14.05(1)(a)7.  
637

638 a. A Generation Unit utilizing an Eligible Biomass Fuel, that is required  
639 to obtain an air permit in its jurisdiction, must possess a Valid Air Permit.  
640

641 b. The Department shall set forth in Guidelines low-emission eligibility  
642 criteria which will become effective on their date of issuance. Any  
643 emission eligibility criteria in subsequently revised regulations or  
644 Guidelines shall become effective 12 months from their date of issuance.  
645 A Generation Unit utilizing an Eligible Biomass Fuel that is not a solid  
646 fuel, such as Eligible Liquid Biofuel, or does not use a steam boiler, shall  
647 follow the low-emission eligibility criteria process described in the  
648 Departments' *Guideline on Eligible Biomass Fuel for Renewable*  
649 *Generation Units*. In the case of a Generation Unit for whose size, type,  
650 or fuel the Department's Guidelines do not provide applicable emission  
651 limits, the Department will determine appropriate limits in consultation  
652 with the MassDEP.  
653

654 c. A Generation Unit utilizing an Eligible Biomass Woody Fuel or  
655 Manufactured Biomass Fuel with a Commercial Operation Date after  
656 December 31, 2020 or a Generation Unit utilizing an Eligible Biomass  
657 Woody Fuel or Manufactured Biomass Fuel that has 5% or more of its  
658 fuel sourced from Forest Derived Residues, Forest Derived Thinnings,  
659 and Forest Salvage must achieve an overall efficiency of at least 60% on  
660 a quarterly basis. A Generation Unit with a Commercial Operation Date  
661 on or before December 31, 2020 and utilizing an Eligible Biomass  
662 Woody Fuel or Manufactured Biomass Fuel that has over 95% of its fuel  
663 sourced from Non-Forest Derived Residues on a quarterly basis shall  
664 have no applicable overall efficiency requirement. The procedure for  
665 calculating whether the Generation Unit meets the 60% overall efficiency  
666 requirement can be found in the Department's *Guideline on Overall*  
667 *Efficiency and Greenhouse Gas Analysis*.  
668

669 d. A Generation Unit utilizing an Eligible Biogas Fuel, Eligible Biomass  
670 Woody Fuel, Eligible Liquid Biofuel or Manufactured Biomass Fuel shall  
671 reduce lifecycle greenhouse gas emissions, over a 20-year lifecycle, by at  
672 least 50% compared to the operation of a new combined cycle natural gas  
673 electric generating facility using the most efficient commercially  
674 available technology as of the date of the Statement of Qualification

675 Application for the portion of electricity delivered by the Generation Unit  
676 and, if applicable, the operation of the fossil fuel fired thermal energy  
677 unit being displaced, or in the case of new Useful Thermal Energy, a gas-  
678 fired thermal energy unit using the most efficient commercially available  
679 technology as of the date of Statement of Qualification Application for  
680 the portion of the Useful Thermal Energy delivered by the Generation  
681 Unit. The procedure for calculating whether a Generation Unit meets the  
682 50% reduction can be found in the Department's *Guideline on Overall*  
683 *Efficiency and Greenhouse Gas Analysis*.

684 i. A Generation Unit that does not achieve a lifecycle greenhouse gas  
685 emissions reduction of at least 50% over a 20-year lifecycle in a  
686 particular calendar quarter of the Compliance Year, pursuant to 225  
687 CMR 14.05(1)(a)7.d., shall not be eligible to report RPS Class I  
688 Renewable Generation Attributes to the NEPOOL GIS for that  
689 Calendar Quarter.

690  
691 e. In the case of a Generation Unit that uses Eligible Biogas Fuel, the  
692 Eligible Biogas Fuel may be either conveyed directly to the Generation  
693 Unit without the use of facilities used as common carriers of natural gas,  
694 or transported to a Generation Unit within the ISO-NE Control Area or an  
695 adjacent Control Area via a common carrier of natural gas, in which  
696 instance the gas would be subject to the following provisions:  
697

698 i. the gas is produced entirely within the ISO-NE Control Area or an  
699 adjacent Control Area;

700  
701 ii. documentation is provided, satisfactory to the Department,  
702 regarding the gas transportation and related contracts; and

703  
704 iii. demonstration is provided, satisfactory to the Department, that the  
705 gas can be physically delivered to the Generation Unit.

706 f. A Generation Unit using Eligible Biomass Woody Fuel or  
707 Manufactured Biomass Fuel that is either: (i) sited in an environmental  
708 justice population or (ii) sited within 5 miles of an environmental justice  
709 population, shall not qualify as an RPS Class I Renewable Generation  
710 Unit; provided, however, that the Secretary of the Executive Office of  
711 Energy and Environmental Affairs shall determine environmental justice  
712 populations in accordance with law.

713  
714  
715 8. Marine or hydrokinetic energy.

716  
717 9. Geothermal energy.

718  
719 (b) Commercial Operation Date. The Commercial Operation Date shall be after  
720 December 31, 1997, unless the Generation Unit received a Statement of

721 Qualification with a Vintage Waiver prior to January 1, 2009. In the case of a  
722 Solar Carve-out Renewable Generation Unit, the Commercial Operation Date  
723 shall be after December 31, 2007. In the case of a Solar Carve-out II Renewable  
724 Generation Unit, the Commercial Operation Date shall be after December 31,  
725 2012.

726  
727 (c) Metering. The electrical energy output from a Generation Unit shall be  
728 verified by the ISO-NE or by an independent verification system or person  
729 participating in the NEPOOL GIS accounting system as an independent Third  
730 Party Meter Reader, as defined in Rule 2.5(j) of the NEPOOL GIS Operating  
731 Rules, or any successor rule, and approved by the Department.

732  
733 (d) Location. The Generation Unit location is subject to the limitations in 225  
734 CMR 14.05(1)(d).

735  
736 1. Off-grid Generation. If the Generation Unit produces Off-grid Generation,  
737 such Generation Unit must be located in Massachusetts.

738  
739 2. Behind-the-meter Generation. If the Generation Unit is wired to the  
740 electrical system on the End-use Customer's side of a retail electric meter,  
741 such Generation Unit must be located within the ISO-NE Control Area.

742  
743 (2) Special Provisions for Incremental Generation. An increase in electrical energy  
744 output of a Generation Unit with a Commercial Operation Date on or before  
745 December 31, 1997, may qualify as RPS Class I Renewable Generation, subject to  
746 the limitations in CMR 14.05(2).

747  
748 (a) The Generation Unit must meet the eligibility requirements of 225 CMR  
749 14.05 with the exception of 225 CMR 14.05(1)(b).

750  
751 (b) The portion of the total electrical energy output of the Generation Unit that  
752 qualifies as RPS Class I Renewable Generation in a given calendar year shall be  
753 the portion attributable to incremental new generating capacity or efficiency  
754 improvements installed or implemented after December 31, 1997, using  
755 equipment that was not utilized in any Renewable Generation Unit within the  
756 ISO-NE Control Area or within Control Areas adjacent thereto on or before  
757 December 31, 1997.

758  
759 (c) The portion of the electrical energy output of a Generation Unit that does not  
760 qualify as RPS Class I Renewable Generation under the provisions of 225 CMR  
761 14.05(2)(c) or under a Statement of Qualification granted to a Vintage  
762 Generation Unit prior to January 1, 2009, may qualify as RPS Class II  
763 Renewable Generation if it applies for and meets the eligibility standards of the  
764 RPS Class II Regulations set forth in 225 CMR 15.00: *Renewable Energy*  
765 *Portfolio Standard – Class II*.

766

767 (d) The portion of electrical energy output of a Generation Unit that replaces the  
768 output of an RPS Class I Renewable Generation Unit qualified under 225 CMR  
769 14.05(1)(a)5. at the same location, or proximate thereto, and utilizes the fuel  
770 resource of that location, shall not be qualified as Incremental Generation, unless  
771 a Generation Unit meets the requirements of 225 CMR 14.05(7)(d).  
772

773 (3) Co-firing and Blended Fuel Waiver. All or a portion of the electrical energy  
774 output of a Generation Unit that uses ineligible fuel in conjunction with an Eligible  
775 RPS Class I Renewable Fuel, whether by co-firing such fuels or by using a Blended  
776 Fuel, may qualify as RPS Class I Renewable Generation provided the Generation  
777 Unit meets the eligibility requirements of 225 CMR 14.05, subject to the limitations  
778 in 225 CMR 14.05(3).  
779

780 (a) The portion of the total electrical energy output that qualifies as RPS Class I  
781 Renewable Generation in a given time period shall be equal to the ratio of the net  
782 heat content of the Eligible RPS Class I Renewable Fuel consumed to the net  
783 heat content of all fuel consumed in that time period.  
784

785 (b) If using a Blended Fuel of which the eligible portion is an Eligible Biomass  
786 Fuel or if co-firing an ineligible fuel with an Eligible Biomass Fuel, the entire  
787 Generation Unit must meet the requirements set forth in 225 CMR 14.05(1)(a)7.  
788

789 (c) If using an Eligible Biomass Fuel, the Generation Unit must demonstrate to  
790 the satisfaction of the Department that the emission rates for the entire  
791 Generation Unit are consistent with rates prescribed by the MassDEP for  
792 comparably fueled Generation Units in the Commonwealth. The Department  
793 may require the Generation Unit Owner or Operator to retain at its own expense  
794 a third-party consultant deemed satisfactory to the Department, to provide the  
795 Department and the MassDEP with assistance in this determination.  
796

797 (d) The Generation Unit must provide with its Statement of Qualification  
798 Application a fuel supply plan that specifies each and every fuel that it intends to  
799 use, in what relative proportions either in co-firing or in a Blended Fuel, and with  
800 what individual input heat values. Such plan shall include the procedures by  
801 which the Unit will document to the satisfaction of the Department its  
802 compliance with the plan.  
803

804 (e) The provisions of 225 CMR 14.05(3) shall not apply to the incidental use of  
805 ineligible fuels for the purpose of cold starting a Generation Unit that otherwise  
806 exclusively uses an Eligible RPS Class I Renewable Fuel.  
807

808 (4) Special Provisions for a Solar Carve-out Generation Unit. All references to kW  
809 or MW in 225 CMR 14.05(4) shall be measured on a nameplate capacity basis in  
810 direct current (DC).  
811

812 (a) The Solar Carve-out Renewable Generation Unit must use solar photovoltaic  
813 technology, be used on-site, located in the Commonwealth of Massachusetts, and  
814 be interconnected with the electric grid. On-site use includes any new or existing  
815 load located at the site of the Generation Unit including any parasitic load that  
816 may result from the installation of the Generation Unit, and that is wired to  
817 receive a portion of the electrical energy output from the Generation Unit before  
818 the balance of such output passes through the Generation Unit's metered  
819 interconnection onto the electric grid. The maximum capacity of a Generation  
820 Unit shall be 6 MW, as measured on a nameplate capacity basis in direct current  
821 and shall be determined based on the total capacity located on a single parcel of  
822 land. For any parcel of land for which a Solar Carve-out Generation Unit has  
823 submitted a Statement of Qualification Application, if its current boundaries are  
824 the result of a subdivision recorded after January 1, 2010, the Owner or Operator  
825 shall make a demonstration to the Department that the subdivision was not for  
826 the purpose of eligibility in the Solar Carve-out Program. If the Department is  
827 not satisfied by such showing, the 6 MW limit shall apply to the metes and  
828 bounds of the parcel as recorded prior to the subdivision. Any subsequent  
829 additional solar photovoltaic Generation Units that would result in excess of 6  
830 MW of capacity installed on the same parcel of land and meeting all other  
831 requirements under 225 CMR 14.00 may qualify only for RPS Class I  
832 Renewable Generation Attributes.

833  
834 (b) If the construction and installation of a Generation Unit was funded through a  
835 program administered prior to January 1, 2010, by the Massachusetts Renewable  
836 Energy Trust, or if the Generation Unit was funded substantially from American  
837 Recovery and Reinvestment Act, P.L. 111-5 (ARRA) for the installation of that  
838 Generation Unit, the Generation Unit shall not be eligible to participate in the  
839 Solar Carve-out. Substantial shall mean for this purpose more than 67% of total  
840 installed cost. Notwithstanding 225 CMR 14.05(4)(b), if the substantial funding  
841 that a Generation Unit receives is from a payment in lieu of tax credit under §  
842 1603 of ARRA, the Generation Unit shall be eligible for Solar Carve-out  
843 Renewable Generation Attributes.

844  
845 (c) Any entity that owns Solar Carve-out Renewable Generation Attributes is  
846 eligible to make deposits into the Solar Credit Clearinghouse Auction provided  
847 the Attributes deposited into the Auction were generated during the Opt-in  
848 Term specified in the Statement of Qualification of the Generation Unit. The  
849 Department or its agent shall maintain an account, known as Solar Credit  
850 Clearinghouse Auction Account on the NEPOOL GIS into which Solar Carve-  
851 out Renewable Generation Attributes may be deposited. The Solar Credit  
852 Clearinghouse Auction Account shall be available for deposit of Attributes only  
853 from May 16 to June 15.

854  
855 (d) An entity that opts to deposit Solar Carve-out Generation Renewable  
856 Attributes into the Solar Credit Clearinghouse Auction Account shall be  
857 assessed, at the completion of the auction, a usage fee of 5% of the auction price

858 for each such Attribute deposited into Solar Credit Clearinghouse Auction  
859 Account. This usage fee shall be deposited into the Alternative Compliance  
860 Payment fund under 225 CMR 14.08(3). This usage fee will not apply to  
861 Attributes that remain unsold following the final round of the Solar Credit  
862 Clearinghouse Auction as provided in 225 CMR 14.05(4)(i).

863  
864 (e) Those Attributes deposited into Solar Credit Clearinghouse Auction Account  
865 shall then be retired and reissued by NEPOOL GIS as Re-minted Auction  
866 Account Attributes. These Attributes shall be eligible in either of the two  
867 subsequent Compliance Years from the year in which they were generated to  
868 meet obligations under the Massachusetts Solar Carve-out Minimum Standard.  
869 The Department or its agent shall conduct an auction for those Attributes. Any  
870 entity wishing to purchase Re-minted Auction Account Attributes may  
871 participate and enter a bid. Each bid shall be for the number of Re-minted  
872 Auction Account Attributes that the bidder wishes to purchase at a fixed price of  
873 \$300 per Re-minted Auction Account Attribute.

874  
875 (f) The Solar Credit Clearinghouse Auction shall be held not later than July 31. If  
876 the Auction clears, meaning that the total number of Re-minted Auction Account  
877 Attributes bid for in the auction was equal to or more than the number of Solar  
878 Carve-out Renewable Generation Attributes deposited, then the total amount of  
879 deposited Attributes will be distributed to the bidders in a pro-rated manner such  
880 that each bidder receives the same percentage of their bid volume. If the auction  
881 does not clear, meaning that the total number of Re-minted Auction Account  
882 Attributes bid for in the auction was less than the number of Solar Carve-out  
883 Renewable Generation Attributes deposited, the Department or its agent shall  
884 void the auction.

885  
886 (g) If the auction under 225 CMR 14.05(4)(f) does not clear, the Department  
887 shall conduct a new auction within three Business Days, in which any Attributes  
888 purchased shall be eligible in any of the three subsequent Compliance Years  
889 from the year in which they were generated to meet obligations under the  
890 Massachusetts Solar Carve-out Minimum Standard. If the auction does not clear,  
891 the Department or its agent shall void the auction.

892  
893 (h) If the auction under 225 CMR 14.05(4)(g) does not clear, the Department or  
894 its agent shall conduct another auction within three Business Days, at which  
895 point the Attributes shall be eligible in any of the three subsequent Compliance  
896 Years from the year in which they were generated to meet obligations under the  
897 Massachusetts Solar Carve-out Minimum Standard. Prior to this Auction, the  
898 Department shall also re-calculate the Massachusetts Solar Carve-out Minimum  
899 Standard under 225 CMR 14.07(2).

900  
901 (i) If the auction under 225 CMR 14.05(4)(h) does not clear, the Re-minted  
902 Auction Account Attributes deposited in the Solar Credit Clearinghouse Auction  
903 Account shall be allocated to the bidders in a pro-rated manner so that an equal



904 percentage of Re-minted Auction Account Attributes are allocated from each  
905 Generation Unit that deposited Solar Carve-out Renewable Generation  
906 Attributes. The remaining Re-minted Auction Account Attributes shall be  
907 returned to the entity that made the deposit. These Attributes shall be eligible in  
908 any of the three subsequent Compliance Years from the year in which they were  
909 generated to meet obligations under the Massachusetts Solar Carve-out  
910 Minimum Standard.

911  
912 (j) Re-minted Auction Account Attributes may not be placed into the Solar  
913 Credit Clearinghouse Auction Account in subsequent years.

914  
915 (k) Within two weeks from June 28, 2013, the Department shall establish and  
916 provide on its website a list of all projects that are within the 400 MW capacity  
917 limit and the set of Generation Units that are outside of the 400 MW capacity  
918 limit. The Department shall provide Statement of Qualifications to all Generation  
919 Units with Statement of Qualification Applications as follows, provided such  
920 Generation Units meet all other eligibility criterion of 225 CMR 14.00.

921  
922 1. A Generation Unit greater than 100 kW that has received a Statement of  
923 Qualification or has submitted a Statement of Qualification Application that  
924 is within the 400 MW capacity limit shall be provided a Statement of  
925 Qualification only if the Generation Unit meets the project construction  
926 timelines prescribed in 225 CMR 14.05(4)(k)4. Notwithstanding 225 CMR  
927 14.06(4), the RPS Effective Date of the Generation Unit shall be no later than  
928 December 31, 2013, regardless of when the Unit's Commercial Operation  
929 Date occurs.

930  
931 2. A Generation Unit greater than 100 kW that has submitted a Statement of  
932 Qualification Application that is outside the 400 MW capacity limit shall be  
933 provided a Statement of Qualification only if the Generation Unit is  
934 authorized to interconnect by its local Distribution Company on or before  
935 June 28, 2013 or has received an interconnection service agreement from its  
936 local Distribution Company that is fully executed by both the interconnecting  
937 customer and the Distribution Company and dated on or before June 7, 2013,  
938 and meets the project construction timelines prescribed in 225 CMR  
939 14.05(4)(k)4. The Generation Unit shall have one week after June 28, 2013  
940 to provide the Department with a copy of the executed Interconnection  
941 Service Agreement or its Statement of Qualification Application will be  
942 rejected. Notwithstanding 225 CMR 14.06(4), the RPS Effective Date of the  
943 Generation Unit shall be no later than December 31, 2013, regardless of  
944 when the Generation Unit's Commercial Operation Date occurs.

945  
946 3. A Generation Unit that has a rated capacity equal to or less than 100 kW,  
947 or has qualified as a Community Solar Project by the MassCEC under its  
948 Commonwealth Solar II Rebate Program, which has received its  
949 authorization to interconnect or permission to operate from its local

950 Distribution Company by the effective date of a new solar carve-out program  
951 established by the Department, or by June 30, 2014, whichever is earlier, and  
952 has submitted a Statement of Qualification Application shall be provided a  
953 Statement of Qualification. Notwithstanding 225 CMR 14.06(4), the RPS  
954 Effective Date of the Generation Unit shall be no later than December 31,  
955 2013, regardless of when the Generation Unit's Commercial Operation Date  
956 occurs. For the purpose of 225 CMR 14.05(4)(k)3., the Generation Unit's  
957 capacity shall be measured as the total capacity of qualified Solar Carve-out  
958 Renewable Generation on a single parcel of land or on a roof of a single  
959 building, whichever is less.

960  
961 4. A Generation Unit greater than 100 kW must meet the following  
962 construction timelines to receive a Statement of Qualification.

963  
964 a. A Generation Unit must receive its authorization to interconnect or  
965 permission to operate from its local Distribution Company on or before  
966 December 31, 2013.

967  
968 b. A Generation Unit that has not received an authorization to  
969 interconnect or permission to operate on or before December 31, 2013  
970 will be provided an extension to June 30, 2014 only if it can demonstrate  
971 to the satisfaction of the Department that the project has expended at least  
972 50% of its total construction costs by December 31, 2013. A Generation  
973 Unit provided such an extension must receive its authorization to  
974 interconnect or permission to operate on or before June 30, 2014.

975  
976 c. If a Generation Unit can demonstrate to the Department's satisfaction  
977 that either of these two timelines have been met, but that interconnection  
978 depends only on the receipt of notice of authorization to interconnect or  
979 its permission to operate, and such receipt is delayed only by the local  
980 Distribution Company or due to remaining steps required by other parties  
981 for safe and reliable interconnection, then the Generation Unit will be  
982 provided an extension until the authorization to interconnect or  
983 permission to operate is received.

984  
985 5. Any Solar Carve-out Renewable Generation Unit that has submitted a  
986 Statement of Qualification Application or received a Statement of  
987 Qualification as of June 28, 2013 will not be eligible to generate Solar Carve-  
988 out Renewable Generation Attributes for incremental new generating  
989 capacity that is in excess of the capacity that was applied for in its Statement  
990 of Qualification Application.

991  
992 (5) Special Provisions for a Generation Unit Located in a Control Area Adjacent to  
993 the ISO-NE Control Area. The portion of the total electrical energy output of an RPS  
994 Class I Renewable Generation Unit located in a Control Area adjacent to the ISO-  
995 NE Control Area that qualifies as RPS Class I Renewable Generation shall meet the

996 requirements in Rule 2.7(c) and all other relevant sections of the NEPOOL GIS  
997 Operating Rules, and the requirements in 225 CMR 14.05(5).  
998

999 (a) The Generation Unit Owner or Operator shall provide documentation,  
1000 satisfactory to the Department that the RPS Class I Renewable Generation  
1001 Attributes have not otherwise been, nor will be, sold, retired, claimed, used or  
1002 represented as part of electrical energy output or sales, or used to satisfy  
1003 obligations in jurisdictions other than Massachusetts.  
1004

1005 (b) The Generation Unit Owner or Operator must provide an attestation in a form  
1006 to be provided by the Department that it will not itself or through any affiliate or  
1007 other contracted party, knowingly engage in the process of importing RPS Class  
1008 I Renewable Generation into the ISO-NE Control Area for the creation of RPS  
1009 Class I Renewable GIS Certificates, and then exporting that energy or a similar  
1010 quantity of other energy out of the ISO-NE Control Area during the same hour.  
1011

1012 (c) The quantity of electrical energy output from an RPS Class I Renewable  
1013 Generation Unit outside the ISO-NE Control Area that can qualify as RPS Class  
1014 I Renewable Generation at the NEPOOL GIS during each hour is limited to the  
1015 lesser of the RPS Class I Renewable Generation actually produced by the  
1016 Generation Unit or the RPS Class I Renewable Generation actually scheduled  
1017 and delivered into the ISO-NE Control Area.  
1018

1019 (6) Special Provisions for Aggregations. An Aggregation of Generation Units that  
1020 are located behind the customer meter or that are Off-grid Generation Units, each of  
1021 which could independently meet the relevant requirements of 225 CMR 14.05, may  
1022 receive a single Statement of Qualification and be treated as a single RPS Class I  
1023 Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, or Solar  
1024 Carve-out II Renewable Generation Unit under the criteria and procedures in 225  
1025 CMR 14.05(6).  
1026

1027 (a) Each Generation Unit in such Aggregation must be located within the same  
1028 state and use the same fuel, energy resource and technology as all other  
1029 Generation Units in the Aggregation. In the instance of an Aggregation that  
1030 includes a Solar Carve-out Renewable Generation Unit, the Aggregation shall  
1031 only include Generation Units that are eligible for the Solar Carve-out under 225  
1032 CMR 14.05(4). In the instance of an Aggregation that includes a Solar Carve-out  
1033 II Renewable Generation Unit, the Aggregation shall only include Generation  
1034 Units that are eligible for the Solar Carve-out II under 225 CMR 14.05(9).  
1035

1036 (b) Each of the Owners or Operators of Generation Units within the Aggregation  
1037 must enter into an agreement with a person or entity that serves as the  
1038 Authorized Agent for the Aggregation in all dealings with the Department and  
1039 with the NEPOOL GIS, and such agreement must include procedures by which  
1040 the electrical energy output of each Generation Unit shall be monitored and  
1041 reported to the NEPOOL GIS.

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

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

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

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

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

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

(8) Special Provisions for Generation Units Using Eligible Biomass Woody Fuels or Manufactured Biomass Fuels. An Owner, Operator, or Authorized Agent of a Generation Unit that uses an Eligible Biomass Woody Fuel or a Manufactured Biomass Fuel must meet the following provisions.

(a) Sustainable Forest Management. Forest Derived Residues and Forest Derived Thinnings shall only be sourced from forests meeting Sustainable Forestry Management practices, as independently verified through the attestation of a licensed forester, certified forester, or independent certification.

1087 (b) Overall Efficiency. A Generation Unit utilizing Eligible Biomass Woody  
1088 Fuel or Manufactured Biomass Fuel that does not comply with the overall  
1089 efficiency requirements in 225 CMR 14.05(1)(a)7.c. shall be subject the  
1090 following:

1091  
1092 1. A Generation Unit utilizing an Eligible Biomass Woody Fuel or  
1093 Manufactured Biomass Fuel with a Commercial Operation Date after  
1094 December 31, 2020 or a Generation Unit utilizing Eligible Biomass  
1095 Woody Fuel or Manufactured Biomass Fuel that has 5% or more of its  
1096 fuel sourced from Forest Derived Residues, Forest Derived Thinnings, and  
1097 Forest Salvage and does not achieve an overall efficiency of at least 60%  
1098 in a particular calendar quarter of the Compliance Year, pursuant to 225  
1099 CMR 14.05(1)(a)7.c., shall not be eligible to report RPS Class I  
1100 Renewable Generation Attributes to the NEPOOL GIS for that calendar  
1101 quarter.

1102  
1103 2. A Generation Unit utilizing Eligible Biomass Woody Fuel or  
1104 Manufactured Biomass Fuel with a Commercial Operation Date on or  
1105 before December 31, 2020 and that has over 95% of its fuel sourced from  
1106 Non-Forest Derived Residues in a particular calendar quarter of the  
1107 Compliance Year, shall only be eligible to receive RPS Class I Renewable  
1108 Generation Attributes at NEPOOL GIS in a proportion equal to the  
1109 percentage of fuel sourced from Non-Forest Derived Residues for that  
1110 calendar quarter.

1111  
1112 (c) Reporting Requirements for Generation Units using Eligible Biomass Woody  
1113 Fuel or Manufactured Biomass Fuel. An Owner, Operator, or Authorized Agent  
1114 of a Generation Unit using Eligible Biomass Woody Fuel or Manufactured  
1115 Biomass Fuel shall provide to the Department on a quarterly basis the Biomass  
1116 Fuel Report as prescribed in the Department's *Guideline on Eligible Biomass*  
1117 *Fuel for Renewable Generation Units.*

1118  
1119 (d) Verification of Eligible Biomass Woody Fuel. In order to verify the use of  
1120 Eligible Biomass Woody Fuel, an RPS Class I Renewable Generation Unit  
1121 utilizing Eligible Biomass Woody Fuel shall report the following to the  
1122 Department on a quarterly basis in a manner outlined in the Department's  
1123 *Guideline on Eligible Biomass Fuel for Renewable Generation Units:*

- 1124 1. Supplier of the fuel;
- 1125 2. Amount of fuel delivered; and
- 1126 3. Date of delivery.

1127 (e) Biomass Fuel Certificate. The tonnage of all Eligible Biomass Woody Fuel or  
1128 Manufactured Biomass Fuel reported in the Quarterly Biomass Fuel Report shall  
1129 be documented by ownership of the Biomass Fuel Certificates. The tonnage  
1130 input for Eligible Biomass Fuel noted on the Biomass Fuel Certificate shall equal  
1131 or be greater than the tonnage of Eligible Biomass Fuel consumed at the  
1132 Generation Unit. For Manufactured Biomass Fuel, the Biomass Fuel Certificates

1133 shall be for the required tonnage of Eligible Biomass Woody Fuel necessary for  
1134 the production of the delivered volume of Manufactured Biomass Fuel. The  
1135 Biomass Fuel Certificates shall be originated, procured, and transacted in  
1136 accordance with the *Guideline on Eligible Biomass Fuel for Renewable*  
1137 *Generation Units*.  
1138

1139 (f) Forest Impact Assessment. Every five years, beginning in 2020, the  
1140 Department, in coordination with DCR, will conduct an assessment of the  
1141 impacts on Massachusetts and regional forests resulting from biomass fuel  
1142 removals. The five-year assessment shall also consider information on the  
1143 Eligible Biomass Woody Fuel utilized by qualified Generation Units and the  
1144 extent to which such fuels come from the categories of Non-forest Derived  
1145 Residues, Forest Derived Residues, Forest Derived Thinnings, and Forest  
1146 Salvage. If the Department concludes its findings would likely result in  
1147 significant impacts on long term forest sustainability, the Department shall  
1148 consult with the MassDEP, and DCR on any changes that may be required by the  
1149 Department, MassDEP, or DCR to maintain long term forest sustainability and  
1150 climate change mitigation.  
1151

1152 (9) Special Provisions for a Solar Carve-out II Renewable Generation Unit. All  
1153 references to kW or MW in 225 CMR 14.05(9) shall be measured on a nameplate  
1154 capacity basis in direct current (DC).  
1155

1156 (a) The Solar Carve-out II Renewable Generation Unit must use solar  
1157 photovoltaic technology on-site and be interconnected with the electric grid in  
1158 the Commonwealth of Massachusetts. On-site use includes any new or existing  
1159 load located at the site of the Solar Carve-out II Renewable Generation Unit,  
1160 including any parasitic load that may result from the installation and operation of  
1161 the Solar Carve-out II Renewable Generation Unit, and that is wired to receive a  
1162 portion of the electrical energy output from the Solar Carve-out II Renewable  
1163 Generation Unit before the balance of such output passes through the Solar  
1164 Carve-out II Renewable Generation Unit's metered interconnection onto the  
1165 electric grid. The maximum capacity of a Solar Carve-out II Renewable  
1166 Generation Unit shall be six MW and shall be determined based on the total  
1167 capacity of Solar Carve-out Renewable Generation Units and Solar Carve-out II  
1168 Renewable Generation Units located on a single parcel of land. For any parcel of  
1169 land for which a Solar Carve-out II Renewable Generation Unit has submitted a  
1170 Statement of Qualification Application, if its current boundaries are the result of  
1171 a subdivision recorded after January 1, 2010, the Owner or Operator shall  
1172 demonstrate to the Department that the subdivision was not for the purpose of  
1173 obtaining eligibility as a Solar Carve-out II Renewable Generation Unit. If the  
1174 Owner or Operator fails to make such a showing to the Department, the six MW  
1175 limit shall apply to the metes and bounds of the parcel as recorded prior to the  
1176 subdivision. Any solar photovoltaic Generation Units that would result in excess  
1177 of six MW of capacity installed on the same parcel of land and meeting all other

1178 requirements under 225 CMR 14.00 may qualify only for RPS Class I  
1179 Renewable Generation Attributes.

1180  
1181 (b) A Solar Carve-out II Renewable Generation Unit must have a Commercial  
1182 Operation Date on or after January 1, 2013 and must not be qualified as a Solar  
1183 Carve-out Renewable Generation Unit under provisions in 225 CMR 14.05(4).

1184  
1185 (c) Any entity that owns Solar Carve-out II Renewable Attributes generated by a  
1186 Solar Carve-Out II Renewable Generation Unit is eligible to make deposits into  
1187 the Solar Credit Clearinghouse Auction-II. The Department or its agent shall  
1188 maintain a Solar Credit Clearinghouse Auction-II Account on the NEPOOL GIS  
1189 into which eligible Solar Carve-out II Renewable Generation Attributes may be  
1190 deposited. The Solar Credit Clearinghouse Auction-II Account shall be available  
1191 for deposit of Attributes only from May 16<sup>th</sup> through June 15<sup>th</sup>.

1192  
1193 (d) An entity that opts to deposit Solar Carve-out II Renewable Attributes into  
1194 the Solar Credit Clearinghouse Auction-II Account shall be assessed, at the  
1195 completion of the auction, a usage fee of five percent of the auction price for  
1196 each such Attribute deposited into Solar Credit Clearinghouse Auction-II  
1197 Account. This usage fee shall be deposited into the Alternative Compliance  
1198 Payment fund under 225 CMR 14.08(3). This usage fee will not apply to  
1199 Attributes that remain unsold following the final round of the Solar Credit  
1200 Clearinghouse Auction-II as provided in 225 CMR 14.05(9)(i).

1201  
1202 (e) Those Solar Carve-out II Renewable Generation Attributes deposited into the  
1203 Solar Credit Clearinghouse Auction-II Account shall then be retired and reissued  
1204 by NEPOOL GIS as re-minted auction-II account Generation Attributes. These  
1205 re-minted auction-II account Generation Attributes shall be eligible for  
1206 compliance in either of the two subsequent Compliance Years from the year in  
1207 which they were generated to meet obligations under the Massachusetts Solar  
1208 Carve-out II Minimum Standard. The Department or its agent shall conduct an  
1209 auction for those re-minted auction-II account Generation Attributes. Any entity  
1210 wishing to purchase re-minted auction-II account Generation Attributes may  
1211 participate and enter a bid. Each bid shall be for the number of re-minted  
1212 auction-II account Generation Attributes that the bidder wishes to purchase at a  
1213 fixed price. The fixed price shall vary each Compliance Year according to the  
1214 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



1242 under 225 CMR 14.05(9)(h), the Department shall also re-calculate the  
1243 Massachusetts Solar Carve-out II Minimum Standard under 225 CMR 14.07(3).

1244  
1245 (i) If the third auction under 225 CMR 14.05(9)(h) does not clear, the re-minted  
1246 auction-II account Generation Attributes deposited in the Solar Credit  
1247 Clearinghouse Auction-II Account shall be allocated to the bidders in a pro-rated  
1248 manner so that an equal percentage of re-minted auction-II account Generation  
1249 Attributes are allocated from each Generation Unit that deposited Solar Carve-  
1250 out II Renewable Generation Attributes. The remaining re-minted auction-II  
1251 account Generation Attributes that were not allocated to the bidders shall be  
1252 returned to the entity that made the deposit. These re-minted auction-II account  
1253 Generation Attributes shall be eligible in any of the three subsequent Compliance  
1254 Years from the year in which they were generated to meet obligations under the  
1255 Massachusetts Solar Carve-out II Minimum Standard.

1256  
1257 (j) Re-minted auction-II account Generation Attributes may not be placed into  
1258 the Solar Credit Clearinghouse Auction-II Account in subsequent years.

1259  
1260 (k) For each MWh of electricity generation, a Solar Carve-out II Renewable  
1261 Generation Unit shall generate two types of GIS Certificates. The first type of  
1262 GIS Certificate shall be encoded as solar photovoltaic, but without RPS Class I  
1263 Renewable Generation Attributes or Solar Carve-out II Renewable Generation  
1264 Attributes. The second type of GIS Certificate shall be a Solar Renewable  
1265 Energy Certificate II (SREC II). The proportion of each of type of GIS  
1266 Certificate that a Solar Carve-out II Renewable Generation Unit shall generate  
1267 will be determined subject to the following:

1268  
1269 1. Beginning with the calendar quarter in which each Solar Carve-out II  
1270 Renewable Generation Unit's RPS Effective Date occurs, as prescribed in  
1271 225 CMR 14.06(4), the number of GIS Certificates encoded as solar  
1272 photovoltaic without RPS Class I Renewable Generation Attributes or Solar  
1273 Carve-out II Renewable Generation Attributes that each Generation Unit  
1274 generates shall be equal to one minus the SREC Factor, as determined under  
1275 225 CMR 14.05(9)(l), times the number of MWh generated. The number of  
1276 SREC IIs each Generation Unit generates shall be equal to the SREC Factor,  
1277 as determined under 225 CMR 14.05(9)(l), times the number of MWh  
1278 generated. This shall apply for as long as the Solar Carve-out II Renewable  
1279 Generation Unit is eligible to generate Solar Carve-out II Renewable  
1280 Generation Attributes pursuant to 225 CMR 14.05(9)(l)4.

1281  
1282 2. The Solar Carve-out II Renewable Generation Unit Owner or Operator  
1283 must include within its Statement of Qualification Application an attestation  
1284 that any GIS Certificate encoded as solar photovoltaic, but without RPS  
1285 Class I Renewable Generation Attributes or Solar Carve-out II Renewable  
1286 Generation Attributes, shall be retired at NEPOOL GIS and its ownership  
1287 shall not be transferred to any other party.

1288 3. Upon the termination of the eligibility period established under 225 CMR  
1289 14.05(9)(l)4., a Solar Carve-out II Renewable Generation Unit shall cease to  
1290 generate SREC IIs and will generate RPS Class I Renewable Generation  
1291 Attributes for 100% of the MWh it generates.  
1292

1293 (l) SREC Factor. The Department assigns to each Solar Carve-out II Renewable  
1294 Generation Unit an SREC Factor that determines the proportion of the two types  
1295 of GIS Certificates the Generation Unit will generate as prescribed in 225 CMR  
1296 14.05(9)(k). The SREC Factor for any Solar Carve-out II Renewable Generation  
1297 Unit shall be established as follows:  
1298

1299 1. The Department shall publish an SREC Factor Guideline that prescribes  
1300 SREC Factors differentiated by solar market sectors as specified in 225 CMR  
1301 14.05(9)(l)2. to support solar policy objectives.  
1302

1303 2. An SREC Factor under 225 CMR 14.05(9)(l)1. shall apply to Generation  
1304 Units installed in the following market sectors:  
1305

1306 a. Market Sector A. The following types of Generation Units will  
1307 qualify as Solar Carve-out II Renewable Generation Units under  
1308 Market Sector A provided they meet the eligibility criteria prescribed in  
1309 225 CMR 14.05(9)(a):  
1310

1311 i. Generation Units with a capacity equal to or less than 25 kW;  
1312

1313 ii. Solar Canopy Generation Units;  
1314

1315 iii. Emergency Power Generation Units;  
1316

1317 iv. Community Shared Solar Generation Units; or  
1318

1319 v. Generation Units that provide all of their generation output in  
1320 the form of electricity or net metering credits to low or moderate  
1321 income housing, as defined under M.G.L. c. 40B, § 20.  
1322

1323 For the purposes of 225 CMR 14.05(9)(l)2.a., a Generation Unit's  
1324 capacity shall be measured as the total nameplate capacity of the  
1325 qualified Solar Carve-out II Renewable Generation Unit on a single  
1326 parcel of land or on a roof of a single building.  
1327

1328 b. Market Sector B. The following types of Generation Units will  
1329 qualify as Solar Carve-out II Renewable Generation Units under  
1330 Market Sector B provided they meet the eligibility criteria prescribed in  
1331 225 CMR 14.05(9)(a):

1332 i. Building Mounted Generation Units with a capacity of greater  
1333 than 25 kW; or

1334 ii. Ground mounted Generation Units with a capacity of greater  
1335 than 25 kW for which 67% or more of its annual electric output  
1336 is used on-site as prescribed in 225 CMR 14.05(9)(a).  
1337

1338 c. Market Sector C. The following types of Generation Units will  
1339 qualify as Solar Carve-out II Renewable Generation Units under  
1340 Market Sector C provided they meet the eligibility criteria prescribed in  
1341 225 CMR 14.05(9)(a):  
1342

1343 i. Generation Units with 75% or more of the nameplate capacity  
1344 of the solar modules used for generating power installed at an  
1345 Eligible Landfill or Brownfield; or  
1346

1347 ii. Ground mounted Generation Units with a nameplate capacity  
1348 of less than or equal to 650 kW for which less than 67% of its  
1349 annual electrical output is used on-site as prescribed in 225  
1350 CMR 14.05(9)(a). For the purposes of 225 CMR 14.05(9)(l)2.c.,  
1351 a Unit's capacity shall be measured as the total capacity of  
1352 qualified Solar Carve-out II Renewable Generation Units on a  
1353 single parcel of land.  
1354

1355 d. Managed Growth Sector. Any Solar Carve-out II Renewable  
1356 Generation Unit that does not meet the solar market sectors specified in  
1357 225 CMR 14.05(9)(l)2.a. through c. shall be eligible to qualify as  
1358 Managed Growth. There shall be no more than 126 MW of Managed  
1359 Growth Solar Carve-out II Renewable Generation Units.  
1360

1361 3. The SREC Factor assigned to a Unit in its Statement of Qualification shall  
1362 remain its SREC Factor for its entire term it is eligible to generate Solar  
1363 Carve-out II Renewable Generation Attributes subject to the limitations in  
1364 225 CMR 14.05(9)(l)4, unless otherwise approved at the Department's  
1365 discretion.  
1366

1367 4. Solar Carve-out II Renewable Generation Units with an RPS Effective  
1368 Date on or before March 31, 2018 will be eligible to receive Solar Carve-out  
1369 II Renewable Generation Attributes for 40 quarters. However, no Solar  
1370 Carve-out II Renewable Generation Unit will generate Solar Carve-out II  
1371 Renewable Generation Attributes after Compliance Year 2027.  
1372

1373 5. Notwithstanding 225 CMR 14.05(9)(l)3, any Solar Carve-out II  
1374 Renewable Generation Unit that has a nameplate capacity equal to or less  
1375 than 25 kW and receives an authorization to interconnect after January 8,  
1376 2017 or that qualifies for an extension under 225 CMR 14.05(9)(p)4.a will  
1377 receive a lower SREC Factor that shall be established in a revision to the  
1378 SREC Factor Guideline on or before August 31, 2016.

1379 (m) The Department shall issue a Guideline outlining the process for providing  
1380 Assurance of Qualification or queuing position to Solar Carve-out II Renewable  
1381 Generation Units as outlined in 225 CMR 14.05(9)(n) and (o). The Guideline  
1382 may consider accommodations for small Generation Units and will provide a  
1383 queuing system for Generation Units awaiting an Assurance of Qualification.  
1384 The content of the Guideline will be subject to stakeholder review and comment.

1385  
1386 (n) A Generation Unit seeking a Statement of Qualification as a Solar Carve-out  
1387 II Renewable Generation Unit must submit a Statement of Qualification  
1388 Application.

1389  
1390 (o) The Department shall grant a Statement of Qualification to Solar Carve-out II  
1391 Renewable Generation Units that have submitted a complete Statement of  
1392 Qualification Application and meet the eligibility criteria prescribed in 225 CMR  
1393 14.05(9).

1394  
1395 (p) As of April 8, 2016, the Department shall provide Statements of  
1396 Qualifications to all Solar Carve-out II Renewable Generation Units with  
1397 submitted Statement of Qualification Applications as follows, provided such  
1398 Solar Carve-out II Renewable Generation Units meet all other eligibility criteria  
1399 of 225 CMR 14.00.

1400  
1401 1. A Solar Carve-out II Renewable Generation Unit with a rated capacity  
1402 greater than 25 kW that has received an Assurance of Qualification under the  
1403 Solar Carve-out II Program Capacity Cap as of April 8, 2016, shall  
1404 immediately be granted a Statement of Qualification. The Solar Carve-out II  
1405 Renewable Generation Unit will retain its Statement of Qualification only if  
1406 the Generation Unit meets the project construction timelines prescribed in  
1407 225 CMR 14.05(9)(p)4.

1408  
1409 2. A Solar Carve-out II Renewable Generation Unit with a rated capacity  
1410 greater than 25 kW that submits a complete Statement of Qualification  
1411 Application shall be provided a Statement of Qualification. The Solar Carve-  
1412 out II Renewable Generation Unit will retain its Statement of Qualification  
1413 only if the Generation Unit meets the project construction timelines  
1414 prescribed in 225 CMR 14.05(9)(p)4.

1415  
1416 3. A Solar Carve-out II Renewable Generation Unit that has a rated capacity  
1417 equal to or less than 25 kW, which has both received its authorization to  
1418 interconnect or permission to operate from its local Distribution Company  
1419 and submitted a Statement of Qualification Application by the SMART  
1420 Program Effective Date, as defined in 225 CMR 20.05(2): *SMART Program*  
1421 *Effective Date*, shall be provided a Statement of Qualification provided it  
1422 meets all other applicable eligibility criteria of 225 CMR 14.00. For the  
1423 purpose of this subparagraph, the Generation Unit's capacity shall be  
1424 measured as the total capacity of qualified Solar Carve-Out Renewable

1425 Generation and Solar Carve-Out II Renewable Generation on a single parcel  
1426 of land or on a roof of a single building, whichever is less.

1427  
1428 4. A Solar Carve-out II Renewable Generation Unit with a rated capacity  
1429 greater than 25 kW that has received a Statement of Qualification must  
1430 receive its authorization to interconnect or permission to operate from its  
1431 local Distribution Company on or before January 8, 2017, in order to retain  
1432 its Statement of Qualification. However, a Solar Carve-out II Renewable  
1433 Generation Unit that does not receive its authorization to interconnect or  
1434 permission to operate from its local Distribution Company on or before  
1435 January 8, 2017, may also retain its Statement of Qualification if it can meet  
1436 the following criteria:

1437  
1438 a. If a Solar Carve-out II Renewable Generation Unit can demonstrate  
1439 to the Department's satisfaction that it has expended at least 50% of its  
1440 total construction costs by January 8, 2017, it will be provided an  
1441 extension through May 8, 2017, at which point the Generation Unit  
1442 must provide evidence that it has received its authorization to  
1443 interconnect or permission to operate, or that it meets the criteria to  
1444 qualify for an additional extension under 225 CMR 14.05(9)(p)4.b or c.

1445  
1446 b. If a Solar Carve-out II Renewable Generation Unit can demonstrate  
1447 to the Department's satisfaction that its interconnection depends only  
1448 upon receipt of notice of authorization to interconnect from the  
1449 Distribution Company, its Statement of Qualification shall be extended  
1450 indefinitely until such notice is received or denied.

1451  
1452 c. If a Solar Carve-out II Renewable Generation Unit can demonstrate  
1453 to the Department's satisfaction that good cause warrants an extension  
1454 outside of that permitted under 225 CMR 14.05(9)(p)4.a or b, its  
1455 Statement of Qualification shall be extended by an amount of time to be  
1456 determined by the Department.

1457  
1458 d. Details on additional deadlines and eligibility criteria can be found in  
1459 the Department's *SREC Factor Guideline*.

1460  
1461 14.06: Qualification Process for RPS Class I, Solar Carve-out Renewable Generation Units, and  
1462 Solar Carve-out II Renewable Generation Units

1463  
1464 (1) Statement of Qualification Application. A Statement of Qualification Application  
1465 shall be submitted to the Department by the Owner or Operator of the Generation  
1466 Unit or by the Authorized Agent for an Aggregation, as provided in 225 CMR  
1467 14.05(6)(b). The applicant must use the most current forms and associated  
1468 instructions provided by the Department, and must include all information,  
1469 documentation, and assurances required by such forms and instructions.

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(2) Review Procedures.

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

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

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

(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 I Renewable Generation, Solar Carve-out Renewable Generation, or Solar Carve-out II Renewable Generation pursuant to 225 CMR 14.05, the Department will provide the Owner or Operator of such Generation Unit or the Authorized Agent for such Aggregation with a Statement of Qualification.

(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 14.00. After June 28, 2013, a Statement of Qualification shall be issued to a Solar Carve-out Renewable Generation Unit only if it meets the conditions of 225 CMR 14.05(4)(k).

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

(d) A Solar Carve-out Renewable Generation Unit shall receive a Statement of Qualification that states that the Generation Unit is eligible for the Massachusetts Solar Carve-out and that specifies a term of calendar quarters, referred to as the Opt-in Term, during which period the Generation Unit is eligible to participate in the Solar Credit Clearinghouse Auction. The Opt-in Term shall be set at the time that the Generation Unit receives its Statement of Qualification, and the Opt-in Term shall commence with the earlier of either the first day of the calendar quarter during which occurs the RPS Effective Date, as such date is provided in 225 CMR 14.06(4), or, at the request of the applicant or in the case that the Generation Unit has not yet been granted the approval to interconnect to the grid by the local Distribution Company, the first day of the subsequent calendar quarter from the date of the Statement of Qualification.

1514 (e) The length of the Opt-in Term shall be 40 quarters for all Solar Carve-out  
1515 Renewable Generation Units that receive a Statement of Qualification.

1516  
1517 (f) After January 1, 2022, starting in the calendar quarter after the end of a Solar  
1518 Carve-out Renewable Generation Unit's Opt-in Term, it shall no longer be  
1519 eligible to generate Solar Carve-out Renewable Generation Attributes, but will  
1520 remain qualified to generate RPS Class I Renewable Generation Attributes.

1521  
1522 (g) A Solar Carve-out II Renewable Generation Unit shall be issued a Statement  
1523 of Qualification provided that it meets the provisions of 225 CMR 14.05(9).

1524  
1525 (4) RPS Effective Date. The RPS Effective Date shall be the earliest date on or after  
1526 the Commercial Operation Date on which electrical energy output of an RPS Class I  
1527 Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, or Solar  
1528 Carve-out II Renewable Generation Unit can result in the creation of RPS Class I  
1529 Renewable Generation Attributes, Solar Carve-out Renewable Generation  
1530 Attributes, or Solar Carve-out II Renewable Generation Attributes except that:

1531  
1532 (a) in the case of a Generation Unit using Eligible Biomass Fuel, the RPS  
1533 Effective Date shall not be earlier than the date on which the Department  
1534 determines that the Generation Unit has commenced compliance with the low-  
1535 emission conditions in its Statement of Qualification;

1536  
1537 (b) in the case of a Hydroelectric Energy Generation Unit, the RPS Effective  
1538 Date shall not be earlier than the date on which the Department determined that  
1539 the Generation Unit has commenced compliance with the environmental  
1540 conditions in its Statement of Qualification; and

1541  
1542 (c) in the case of Solar Carve-out II Renewable Generation Units, the Generation  
1543 Unit Owner may elect to have their RPS Effective Date established as the first  
1544 day of the calendar quarter following their Commercial Operation Date. In the  
1545 case of a Solar Carve-out II Renewable Generation Unit in the Managed Growth  
1546 Sector, its RPS Effective Date will be no earlier than the first day of the calendar  
1547 year of the Annual Capacity Block under which the Solar Carve-out II  
1548 Renewable Generation Unit is qualified.

1549  
1550 (5) Notification Requirements for Change in Eligibility Status. The Owner or  
1551 Operator of an RPS Class I Renewable Generation Unit, Solar Carve-out Renewable  
1552 Generation Unit, or Solar Carve-out II Renewable Generation Unit shall notify the  
1553 Department of any changes in the technology, operation, emissions, fuel sources,  
1554 energy resources, capacity commitment, or other characteristics of the Generation  
1555 Unit that may affect the eligibility of the Generation Unit as an RPS Class I  
1556 Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, or Solar  
1557 Carve-out II Renewable Generation Unit. The Owner or Operator shall submit the  
1558 notification to the Department no later than five days following the end of the month  
1559 during which such changes were implemented. The notice shall state the date the

1560 changes were made to the RPS Class I Renewable Generation Unit, Solar Carve-out  
1561 Renewable Generation Unit, or Solar Carve-out II Renewable Generation Unit and  
1562 describe the changes in sufficient detail to enable the Department to determine if a  
1563 change in eligibility is warranted.

1564  
1565 (6) Notification Requirements for Change in Ownership, Generation Capacity, or  
1566 Contact Information. The Owner or Operator of an RPS Class I Renewable  
1567 Generation Unit, Solar Carve-out Generation Unit, or Solar Carve-out II Renewable  
1568 Generation Unit shall notify the Department of any changes in the ownership,  
1569 operating entity, generation capacity, NEPOOL GIS account, independent  
1570 verification system for the Generation Unit's or Aggregation's electrical energy  
1571 output, or contact information for the Generation Unit or Aggregation. The Owner or  
1572 Operator shall submit the notification to the Department no later than five days  
1573 following the end of the month during which such changes were implemented.

1574  
1575 (7) Time Limit for Project Implementation. Any Statement of Qualification issued  
1576 on or after March 31, 2009 shall expire 24 months after the issuance date of the  
1577 Statement of Qualification (the Expiration Date) unless the Commercial Operation  
1578 Date of the Generation Unit or Aggregation is on or before the Expiration Date, with  
1579 the exception of any Statement of Qualification issued to a Solar Carve-out  
1580 Generation Unit, which shall expire per the terms outlined in 225 CMR 14.05(4)(k).  
1581 Any Statement of Qualification issued to a Solar Carve-out II Renewable Generation  
1582 Unit shall expire pursuant to the terms outlined in 225 CMR 14.05(9)(p). The  
1583 Department may, at its discretion, grant an extension of the Expiration Date of the  
1584 Statement of Qualification upon petition by the Owner or Operator of the Generation  
1585 Unit or Aggregation. If the Owner or Operator of such Generation Unit or  
1586 Aggregation desires an extension, such Owner or Operator must submit a new  
1587 Statement of Qualification Application, and the decision of the Department on such  
1588 new application may be made in accordance with the regulations and criteria that are  
1589 applicable on the date that the Department receives that application.

1590  
1591 (8) Expiration of Advisory Rulings. An advisory ruling issued by the Department for  
1592 any proposed Generation Unit for which an administratively complete Statement of  
1593 Qualification Application has not been submitted as of January 7, 2011, shall be  
1594 deemed to have expired on January 7, 2011.

1595  
1596 (9) Suspension or Revocation of Statement of Qualification. The Department may  
1597 suspend or revoke a Statement of Qualification if the Owner or Operator of an RPS  
1598 Class I Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, or  
1599 Solar Carve-out II Renewable Generation Unit or Authorized Agent of an  
1600 Aggregation fails to comply with 225 CMR 14.00 or if a Generation Unit does not  
1601 operate during a consecutive 12-month period.

1602  
1603 14.07: Renewable Energy Portfolio Standard - Class I  
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(1) RPS Class I Minimum Standard. 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, as specified in the table in 225 CMR 14.07, of electrical energy sales with RPS Class I Renewable Generation Attributes, Solar Carve-out Renewable Generation Attributes, and Solar Carve-out II Renewable Generation Attributes. The following table reflects annual total RPS Class I Minimum Standard Percentage requirements, including the Solar Carve-out and Solar Carve-out II Minimum Standards, in effect from 2003 through 2030:

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	1.0181%
	After 6/28/2013	1.6629%

(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:

1640 1. the total Solar Carve-out Renewable Generation Attributes projected to be  
1641 generated for the previous Compliance Year (CY-1) minus the total Solar  
1642 Carve-out Renewable Generation Attributes that will no longer be generated  
1643 in the Compliance Year per 225 CMR 14.06(3)(e); or  
1644

1645 2. the total Solar Carve-out Renewable Generation Attributes projected to be  
1646 generated for the previous Compliance Year (CY-1) minus the total Solar  
1647 Carve-out Renewable Generation Attributes that will no longer be generated  
1648 in the Compliance Year per 225 CMR 14.06(3)(e), minus the quantity of  
1649 solar carve-out Alternative Compliance Credits used for the Compliance  
1650 Year two years prior (CY-2), plus the number of Solar Carve-out Renewable  
1651 Generation Attributes from the Compliance Year two years prior (CY-2)  
1652 banked as provided under 225 CMR 14.08(2), plus the number of Solar  
1653 Carve-out Renewable Generation Attributes from the Compliance Year two  
1654 years prior (CY-2) deposited into the Solar Credit Clearinghouse Auction  
1655 Account, whichever is greater.  
1656

1657 (c) Minimum Standard for Retail Load Served under Contracts Executed on or  
1658 Before June 28, 2013. The Solar Carve-out Minimum Standard applied to Retail  
1659 Electric Suppliers for that portion of electrical energy sales that were subject to a  
1660 contract executed or extended prior to June 28, 2013 shall be calculated based on  
1661 a compliance obligation calculated per 225 CMR 14.07(2)(b) as if the Solar  
1662 Carve-Out Program Capacity Cap was 400 MW minus the capacity from Solar  
1663 Carve-out Renewable Generation Units that will no longer be eligible per 225  
1664 CMR 14.06(3)(e). 225 CMR 14.07(2)(c) applies only if the Retail Electric  
1665 Supplier provides documentation, satisfactory to the Department, identifying the  
1666 terms of such contracts including but not limited to, the execution and expiration  
1667 dates of the contract and the annual volume of electrical energy supplied.  
1668

1669 (d) In the instance the Solar Credit Clearinghouse Auction under 225 CMR  
1670 14.05(4)(g) does not clear, prior to conducting an auction under 225 CMR  
1671 14.05(4)(h), the Department shall recalculate the Solar Carve-out Minimum  
1672 Standards for the Compliance Year two years following the Compliance Year in  
1673 which the Solar Carve-out Renewable Generation Attributes deposited into the  
1674 Solar Credit Clearinghouse Auction Account were generated by adding to the  
1675 previously calculated total compliance obligations under 225 CMR 14.07(2)(b)  
1676 and (c) the number of Solar Carve-out Renewable Generation Attributes  
1677 deposited into the Solar Credit Clearinghouse Auction Account such that the  
1678 number of Attributes deposited is counted twice.  
1679

1680 (e) Compliance Year 2023 shall be the final Compliance Year of the Solar  
1681 Carve-out program. In the event that a Solar Credit Clearinghouse Auction is  
1682 held for Compliance Year 2022 or 2023 and creates Re-minted Auction Account  
1683 Attributes that can be used for Compliance Years after 2023, the Department  
1684 shall extend the final Compliance Year by one additional Compliance Year. The  
1685 compliance obligation for this additional Compliance Year will be equal to the

1686 number of Solar Carve-out Renewable Energy Generation Attributes deposited  
1687 into the Solar Credit Clearinghouse Auction Account plus the number of  
1688 remaining Re-Minted Auction Account Attributes and banked Solar Carve-out  
1689 Renewable Generation Attributes that have not been used for meeting any  
1690 compliance obligation. The Solar Carve-out Minimum Standard shall be set to  
1691 zero for the year after this additional Compliance Year.

1692  
1693 (f) In the event that there is an additional Compliance Year added as a result of  
1694 an Auction in the final Compliance Year, Solar Carve-out Renewable Energy  
1695 Generation Attributes shall cease to exist as of the start of the additional  
1696 Compliance Year, and all generation from qualified Solar Carve-out Generation  
1697 Units shall produce RPS Class I Generation Attributes.

1698  
1699 (g) In the event that there is no additional Compliance Year added as the result of  
1700 an Auction in the final Compliance Year, the Department shall set the Solar  
1701 Carve-out Minimum Standard to zero for the year after the final Compliance  
1702 Year. From this time forward, Solar Carve-out Renewable Energy Generation  
1703 Attributes shall cease to exist, and all generation from qualified Solar Carve-out  
1704 Renewable Generation Units shall produce RPS Class I Renewable Energy  
1705 Attributes.

1706  
1707 (3) Solar Carve-out II Minimum Standard. All references to MW in 225 CMR  
1708 14.07(3) shall be measured on a nameplate capacity basis in direct current (DC).

1709  
1710 (a) The total annual sales of each Retail Electricity Product sold to Massachusetts  
1711 End-use Customers by a Retail Electricity Supplier shall include a minimum  
1712 percentage of electrical energy sales with Solar Carve-out II Renewable  
1713 Generation Attributes. This percentage shall be a portion of the Supplier's  
1714 obligation under 225 CMR 14.07(1) and not an additional obligation of the  
1715 Supplier. For each Compliance Year, the Department shall calculate the Solar  
1716 Carve-out II Minimum Standard by dividing the total Solar Carve-out II  
1717 compliance obligation (in MWh), as determined in 225 CMR 14.07(3)(b) and  
1718 (c), by the total MWh of electrical energy sales by Retail Electricity Suppliers to  
1719 End-use Customers in the Compliance Year two years prior, as such sales are  
1720 defined in 225 CMR 14.09(2)(a). The following table reflects the Minimum  
1721 Standards in effect from Compliance Years 2014 through 2021 by year and the  
1722 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<sup>st</sup> 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.

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

1740 Department shall project the Compliance Year generation of SREC IIs based  
1741 on assigned SREC Factors and expected Commercial Operation Dates.

1742  
1743 3. Projected New Supply: The Department shall provide a projection of  
1744 SREC II supply in Compliance Year from new installations that have not yet  
1745 received Statements of Qualification based on prior growth trends by market  
1746 sectors and all other available information.

1747  
1748 4. Rollover Volume: The volume of SREC IIs generated in the Compliance  
1749 Year two and three years prior to the Compliance Year for which the  
1750 compliance obligation is being calculated that remain available for  
1751 compliance, including each of the following:

1752  
1753 a. re-minted auction-II account Generation Attributes as established in 225  
1754 CMR 14.05(9)(e) and (g); and

1755  
1756 b. banked Solar Carve-out II Renewable Generation Attributes as allowed  
1757 in 225 CMR 14.08(2).

1758  
1759 5. Third Round Auction Volume Doubling. In the case of a third round Solar  
1760 Credit Clearinghouse Auction-II under 225 CMR 14.05(9)(g), the volume of  
1761 SREC IIs deposited into the Solar Credit Clearinghouse Auction II Account  
1762 in the Compliance Year two years prior to the Compliance Year for which  
1763 the compliance obligation is being calculated, as prescribed by 225 CMR  
1764 14.07(3)(d).

1765  
1766 (c) Compliance Exemptions for Retail Load Served under Existing Contracts.  
1767 The following methodologies will be used to calculate the compliance  
1768 obligations and resulting Minimum Standards that apply to electrical energy  
1769 sales that were subject to contracts executed or extended prior to certain dates as  
1770 prescribed in 225 CMR 14.07(3)(c)1. through 2. These provisions apply only if  
1771 the Retail Electric Supplier provides documentation, satisfactory to the  
1772 Department, identifying the terms of such contracts including but not limited to,  
1773 the execution and expiration dates of the contract and the annual volume of  
1774 electrical energy supplied.

1775  
1776 1. Minimum Standard for Retail Load Served under Contracts Executed on or  
1777 Before April 25, 2014. There shall be no Solar Carve-out II Minimum  
1778 Standard applied to Retail Electric Suppliers for that portion of electrical  
1779 energy sales that were subject to a contract executed or extended prior to  
1780 April 25, 2014.

1781  
1782 2. Minimum Standard for Retail Load Served under Contracts Executed  
1783 After April 25, 2014 and on or Before May 8, 2016. The Solar Carve-out II  
1784 Minimum Standard applied to Retail Electric Suppliers for that portion of  
1785 electrical energy sales that were subject to a contract executed or extended

1786 after April 25, 2014 and on or before May 8, 2016 shall be calculated based  
1787 on a compliance obligation calculated per 225 CMR 14.07(3)(b) as if the  
1788 combined Solar Carve-out Program Capacity Cap and Solar Carve-out II  
1789 Program Capacity Cap were 1,600 MW.

1790  
1791 (d) In the instance the Solar Credit Clearinghouse Auction-II under 225 CMR  
1792 14.05(9)(g) does not clear, prior to conducting an auction under 225 CMR  
1793 14.05(9)(h), the Department shall recalculate the Solar Carve-out II Minimum  
1794 Standard for the Compliance Year two years following the Compliance Year in  
1795 which the SREC IIs deposited into the Solar Credit Clearinghouse Auction-II  
1796 Account were generated. This recalculation shall add to the previously calculated  
1797 total compliance obligation under 225 CMR 14.07(3)(b)1. through 4. the number  
1798 of SREC IIs deposited into the Solar Credit Clearinghouse Auction-II Account.

1799  
1800 (e) The Department shall publish on its website a Guideline that provides clear  
1801 and precise methodologies by which it will calculate each of the quantities in 225  
1802 CMR 14.07(3)(b), and the compliance obligation. The Department shall maintain  
1803 within this Guideline up-to-date publicly available data that serve as input into  
1804 these calculations.

1805  
1806 (f) Compliance Year 2027 shall be the final Compliance Year of the Solar Carve-  
1807 out II program. In the event that a Solar Credit Clearinghouse Auction-II is held  
1808 for Compliance Year 2026 or 2027 and creates SREC IIs that can be used for  
1809 Compliance Years after 2027, the Department shall extend the final Compliance  
1810 Year by one additional Compliance Year to 2028 or 2029, respectively. The  
1811 compliance obligation for any additional Compliance Year will be equal to the  
1812 number of Solar Carve-out II Renewable Energy Generation Attributes deposited  
1813 into the Solar Credit Clearinghouse Auction-II account plus the number of  
1814 remaining SREC IIs and banked SREC IIs that have not been used for meeting  
1815 any prior compliance obligation. The Solar Carve-out II Minimum Standard shall  
1816 be set to zero for the year after this additional Compliance Year, unless a second  
1817 additional Compliance Year is required.

1818  
1819 (g) In the event that there is an additional Compliance Year added as a result of  
1820 an auction in the final Compliance Year, Solar Carve-out II Renewable Energy  
1821 Generation Attributes shall cease to exist as of the start of the additional  
1822 Compliance Year, and all generation from qualified Solar Carve-out II  
1823 Generation Units shall produce RPS Class I Generation Attributes only.

1824  
1825 (h) In the event that there is no additional Compliance Year added as the result of  
1826 an auction in the final two Compliance Years, the Department shall set the Solar  
1827 Carve-out II Minimum Standard to zero for the year after the final Compliance  
1828 Year. From this time forward, Solar Carve-out II Renewable Energy Generation  
1829 Attributes shall cease to exist, and all generation from qualified Solar Carve-out  
1830 II Renewable Generation Units shall produce RPS Class I Renewable Energy  
1831 Attributes only.

1832  
1833 14.08: Compliance Procedures for Retail Electricity Suppliers  
1834

1835 (1) Standard Compliance. Each Retail Electricity Supplier shall be deemed to be in  
1836 compliance with 225 CMR 14.00 if the information provided in the Compliance  
1837 Filing submitted pursuant to 225 CMR 14.09 is true and accurate and demonstrates  
1838 compliance with 225 CMR 14.07. A Retail Electricity Supplier shall demonstrate to  
1839 the satisfaction of the Department that RPS Class I Renewable Generation  
1840 Attributes, Solar Carve-out Renewable Generation Attributes, or Solar Carve-out II  
1841 Renewable Generation Attributes used for compliance have not otherwise been, nor  
1842 will be, sold, retired, claimed, used or represented as part of electrical energy output  
1843 or sales, or used to satisfy obligations in jurisdictions other than Massachusetts.  
1844

1845 (2) Banked Compliance. A Retail Electricity Supplier may use RPS Class I  
1846 Renewable Generation Attributes, Solar Carve-out Renewable Generation  
1847 Attributes, or Solar Carve-out II Renewable Generation Attributes produced in one  
1848 Compliance Year for compliance in either or both of the two subsequent Compliance  
1849 Years, subject to the limitations in 225 CMR 14.08(2) and provided that the Retail  
1850 Electricity Supplier is in compliance with 225 CMR 14.00 for all previous  
1851 Compliance Years. In addition, the Retail Electricity Supplier shall demonstrate to  
1852 the satisfaction of the Department that such Attributes:  
1853

1854 (a) were in excess of the RPS Class I Renewable Generation Attributes, Solar  
1855 Carve-out Renewable Generation Attributes, or Solar Carve-out II Renewable  
1856 Generation Attributes needed for compliance in the Compliance Year in which  
1857 they were generated, and that such excess Attributes have not previously been  
1858 used for compliance with 225 CMR 14.00;  
1859

1860 (b) do not exceed 30% of the RPS Class I Renewable Generation Attributes or do  
1861 not exceed 10% of the Solar Carve-out Renewable Generation Attributes or  
1862 Solar Carve-out II Renewable Generation Attributes needed by the Retail  
1863 Electricity Supplier for compliance with the RPS Class I Minimum Standard, the  
1864 Solar Carve-out Minimum Standard, or the Solar Carve-out II Minimum  
1865 Standard, respectively, in the year they were generated, subject to 225 CMR  
1866 14.09(2)(d);  
1867

1868 (c) were produced during the Compliance Year in which they are claimed as  
1869 excess by the generation of electrical energy sold to End-use Customers in the  
1870 ISO-NE Control Area, by the generation of electrical energy on End-use  
1871 Customers' sides of retail meters in the ISO-NE Control Area, or by the  
1872 generation of electrical energy from Off-grid Generation Units in Massachusetts;  
1873 and  
1874

1875 (d) have not otherwise been, nor will be, sold, retired, claimed or represented as  
1876 part of electrical energy output or sales, or used to satisfy obligations in  
1877 jurisdictions other than Massachusetts.



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

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

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

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

<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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4. 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.

(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:

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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 annually by January 31<sup>st</sup> evidence of financial security that:

- (a) is in the form of a surety bond or other financial instrument showing evidence of liquid funds, such as a certificate of deposit, an irrevocable letter of credit, a line of credit, a loan or a guarantee;

- 1957 (b) is the greater of:  
1958  
1959 1. \$100,000;  
1960  
1961 2. 20% of the Retail Electricity Supplier's estimated gross receipts for its first  
1962 full year of operation; or  
1963  
1964 3. 20% of the Retail Electricity Supplier's actual gross receipts for the  
1965 preceding year of operation, not including revenue from the provision of  
1966 basic service, for any year after the first year of operation;  
1967  
1968 (c) does not exceed \$1,000,000;  
1969  
1970 (d) names the Department as beneficiary, obligee, or guaranteed party, as  
1971 applicable and specifies that a notice of default issued under 225 CMR 14.12(5)  
1972 or 225 CMR 15.12(5) shall be sufficient grounds to withdraw or obtain funds  
1973 from the surety;  
1974  
1975 (e) has an expiration date not less than one year; and  
1976  
1977 (f) shall be adjusted annually, if based upon actual or estimated gross receipts,  
1978 under 225 CMR 14.08(4)(b)1. or 2.  
1979

1980 14.09: Annual Compliance Filings for Retail Electricity Suppliers

- 1981  
1982 (1) Date of Annual Compliance Filing. For each Compliance Year, the Retail  
1983 Electricity Supplier annually shall file an annual Compliance Filing with the  
1984 Department no later than the first day of July, or the first Business Day thereafter, of  
1985 the subsequent Compliance Year.  
1986  
1987 (2) Contents of Annual Compliance Filing. For each Retail Electricity Product, the  
1988 Filing shall document compliance with the provisions of 225 CMR 14.07 and 14.08  
1989 to the satisfaction of the Department and shall include, but not be limited to, the  
1990 following:  
1991  
1992 (a) Total Electrical Energy Sales to End-use Customers. Documentation of the  
1993 total MWhs of electrical energy allocated by the Retail Electricity Supplier to  
1994 End-use Customers in the Compliance Year. Such allocation is defined as the  
1995 total quantity of the Supplier's Certificates Obligation that the Supplier correctly  
1996 allocated or should have allocated to all of the Supplier's Massachusetts retail  
1997 subaccounts in the NEPOOL GIS, in compliance with all relevant provisions of  
1998 Part 4 of the NEPOOL GIS Operating Rules, or any successor rules, as specified  
1999 in the Guideline on the Determination of Sales to End-use Customers.  
2000  
2001 (b) Electrical Energy Sales to End-use Customers by Product. Documentation of  
2002 the total MWhs of each Retail Electricity Product allocated to End-use

2003 Customers in the Compliance Year, verified by an independent third party  
2004 satisfactory to the Department, consistent with the Guidelines. Such allocation is  
2005 defined as the quantity of the Supplier's Certificates Obligation that the Supplier  
2006 correctly allocated or should have allocated to each of the Supplier's  
2007 Massachusetts retail subaccounts at the NEPOOL GIS, in compliance with all  
2008 relevant provisions of Part 4 of the NEPOOL GIS Operating Rules, or any  
2009 successor rules, as specified in the Guideline on the Determination of Sales to  
2010 End-use Customers. The Department shall keep product information confidential  
2011 to the extent permitted by law.

2012  
2013 (c) Attributes Allocated from the Compliance Year. Documentation of the total  
2014 MWhs of each Retail Electricity Product allocated to End-use Customers that  
2015 were derived from RPS Class I Renewable Generation, Solar Carve-out  
2016 Renewable Generation, and Solar Carve-out II Renewable Generation during the  
2017 Compliance Year, and which may include electrical energy generated on End-use  
2018 Customers' sides of retail meters in the ISO-NE Control Area or by Off-grid  
2019 Generation Units in Massachusetts in the Compliance Year, as follows:

2020  
2021 1. For electrical energy transactions included in the ISO-NE Settlement  
2022 Market System, the Compliance Filings shall include documentation from the  
2023 NEPOOL GIS administrator of the Retail Electricity Supplier's ownership of  
2024 GIS Certificates representing RPS Class I Renewable Generation, Solar  
2025 Carve-out Renewable Generation, and Solar Carve-out II Renewable  
2026 Generation during the Compliance Year.

2027  
2028 2. For electrical energy transactions not included in the ISO-NE Settlement  
2029 Market System, but for which the Retail Electricity Supplier has secured GIS  
2030 Certificates from the NEPOOL GIS, the Compliance Filings shall include  
2031 documentation from the NEPOOL GIS of the Retail Electricity Supplier's  
2032 ownership of GIS Certificates representing RPS Class I Renewable  
2033 Generation, Solar Carve-out Renewable Generation, and Solar Carve-out II  
2034 Renewable Generation during the Compliance Year.

2035  
2036 (d) Attributes Allocated from Banked Compliance. Allocation by Retail  
2037 Electricity Product of any quantity of RPS Class I Renewable Generation  
2038 Attributes banked from one or both of the two previous years pursuant to 225  
2039 CMR 14.08(2) that are used to demonstrate compliance with the RPS Class I  
2040 Minimum Standard in the current Compliance Year, and allocation by Retail  
2041 Electricity Product of any quantity of Solar Carve-out Renewable Generation  
2042 Attributes banked from one or both of the two previous years pursuant to 225  
2043 CMR 14.08(2) that are used to demonstrate compliance with the Solar Carve-out  
2044 Minimum Standard or the RPS Class I Minimum Standard in the current  
2045 Compliance Year, and allocation by Retail Electricity Product of any quantity of  
2046 Solar Carve-out II Renewable Generation Attributes banked from one or both of  
2047 the two previous years pursuant to 225 CMR 14.08(2) that are used to

2048 demonstrate compliance with the Solar Carve-out II Minimum Standard or the  
2049 RPS Class I Minimum Standard in the current Compliance Year;

2050  
2051 (e) Alternative Compliance Credits. Allocation by Retail Electricity Product of  
2052 any Alternative Compliance Credits claimed pursuant to 225 CMR 14.08(3)(a),  
2053 along with a copy of any Alternative Compliance Payment receipt(s), and  
2054 allocation by Retail Electricity Product of any solar carve-Out Alternative  
2055 Compliance Credits claimed pursuant to 225 CMR 14.08(3)(b), along with a  
2056 copy of any solar carve-out Alternative Compliance Payment receipt(s), and  
2057 allocation by Retail Electricity Product of any solar carve-out II Alternative  
2058 Compliance Credits claimed pursuant to 225 CMR 14.08(3)(c), along with a  
2059 copy of any solar carve-Out II Alternative Compliance Payment receipt(s); and  
2060

2061 (f) Attributes Banked for Future Compliance. Identification of any quantity of  
2062 Attributes from RPS Class I Renewable Generation, Solar Carve-out Renewable  
2063 Generation, or Solar Carve-out II Renewable Generation, that the Retail  
2064 Electricity Supplier anticipates claiming for purposes of Banked Compliance in  
2065 subsequent years under the Banked Compliance provisions of 225 CMR  
2066 14.08(2).  
2067

2068 (g) Contracts Subject to Lower ACP Rate under 225 CMR 14.08(3)(b)(3).  
2069 Identification of any contract for a specific term of years that was executed  
2070 before January 1, 2010, and its terms, including but not limited to, the execution  
2071 and expiration dates of the contract and the annual volume of electrical energy  
2072 supplied. Contracts eligible for the Lower ACP Rate shall include only those  
2073 contracts that were executed by a retail End-use Customer.  
2074

#### 2075 14.10: Reporting Requirements

2076  
2077 (1) Certification. Any person required by 225 CMR 14.00 to submit documentation  
2078 to the Department shall provide:

2079  
2080 (a) the person's name, title and business address;

2081  
2082 (b) the person's authority to certify and submit the documentation to the  
2083 Department; and

2084  
2085 (c) the following certification: "I hereby certify, under the pains and penalties of  
2086 perjury, that I have personally examined and am familiar with the information  
2087 submitted herein and based upon my inquiry of those individuals immediately  
2088 responsible for obtaining the information, I believe that the information is true,  
2089 accurate, and complete. I am aware that there are significant penalties, both civil  
2090 and criminal, for submitting false information, including possible fines and  
2091 imprisonment."  
2092

2093 (2) Annual Renewable Energy Resource Report. The Department shall produce and  
2094 make available to the public an annual report that summarizes information submitted  
2095 to the Department by Retail Electricity Suppliers in the Annual Compliance Filings  
2096 submitted to the Department pursuant to 225 CMR 14.09(2). Such report shall  
2097 include non-confidential data that provides the following:  
2098

2099 (a) the extent to which the Retail Electric Suppliers complied with the RPS Class  
2100 I Minimum Standard, the Solar Carve-out Minimum Standard, and Solar Carve-  
2101 out II Minimum Standard, both separately and combined; and  
2102

2103 (b) the extent to which the Retail Electric Suppliers used Standard Compliance,  
2104 Banked Compliance, and Alternative Compliance in meeting the Minimum  
2105 Standards.  
2106

2107 (3) Identification of Renewable Generation Units, RPS Class I Generation Units,  
2108 Solar Carve-out Renewable Generation Units, and Solar Carve-out II Renewable  
2109 Generation Units. The Department shall inform the NEPOOL GIS administrator  
2110 which Generation Units should be designated as Renewable Generation Units, RPS  
2111 Class I Generation Units, Solar Carve-out Renewable Generation Units, and Solar  
2112 Carve-out II Renewable Generation Units pursuant to 225 CMR 14.00.  
2113

#### 2114 14.11: Inspection

2115

2116 (1) Document Inspection. The Department may audit the accuracy of all information  
2117 submitted pursuant to 225 CMR 14.00. The Department may request and obtain  
2118 from any Owner, Operator or Authorized Agent of an RPS Class I Renewable  
2119 Generation Unit or a Solar Carve-out Renewable Generation Unit or a Solar Carve-  
2120 out II Renewable Generation Unit, including Aggregations, supplier of Eligible  
2121 Biomass Fuel, and from any Retail Electricity Supplier information that the  
2122 Department determines necessary to monitor compliance with and enforcement of  
2123 225 CMR 14.00.  
2124

2125 (2) Audit and Site Inspection. Upon reasonable notice to a Retail Electricity  
2126 Supplier, supplier of Eligible Biomass Fuel, or to an RPS Class I Renewable  
2127 Generation Unit, Solar Carve-out Renewable Generation Unit, or Solar Carve-out II  
2128 Renewable Generation Unit Owner, Operator or Authorized Agent, the Department  
2129 may conduct audits, which may include inspection and copying of records and/or  
2130 site visits to an RPS Class I Renewable Generation Unit, Solar Carve-out Renewable  
2131 Generation Unit, Solar Carve-out II Renewable Generation Unit, supplier of Eligible  
2132 Biomass Fuel, or a Retail Electricity Supplier's facilities, including, but not limited  
2133 to, all files and documents that the Department determines are related to compliance  
2134 with 225 CMR 14.00.  
2135

#### 2136 14.12: Non-compliance

2137 Any Retail Electricity Supplier or Owner, Operator or Authorized Agent of a RPS  
2138 Class I Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, Solar  
2139 Carve-out II Renewable Generation Unit or Aggregation that fails to comply with the  
2140 requirements of 225 CMR 14.00 shall be subject to the provisions in 225 CMR 14.12(1)  
2141 through (4).  
2142

2143 (1) Notice of Non-compliance. A failure to comply with the requirements of 225  
2144 CMR 14.00 shall be determined by the Department. A written Notice of Non-  
2145 compliance shall be prepared and delivered by the Department to any Retail  
2146 Electricity Supplier or Owner, Operator or Authorized Agent of an RPS Class I  
2147 Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, or Solar  
2148 Carve-out II Renewable Generation Unit or Aggregation that fails to comply with  
2149 the requirements of 225 CMR 14.00. The Notice of Non-compliance shall describe  
2150 the Requirement(s) with which the Retail Electricity Supplier, Owner, Operator or  
2151 Authorized Agent failed to comply and the time period of such non-compliance.  
2152

2153 (2) Publication of Notice of Non-compliance. A Notice of Non-compliance may be  
2154 published on the Department's website and in any other media deemed appropriate  
2155 by the Department. Such publication may remain posted until the Retail Electricity  
2156 Supplier or Owner, Operator or Authorized Agent returns to compliance as  
2157 determined by the Department.  
2158

2159 (3) Planning Requirement. A Retail Electricity Supplier that fails to meet the  
2160 requirements of 225 CMR 14.07 during a Compliance Year shall submit a plan for  
2161 achieving compliance for the subsequent three years. The plan shall be filed with the  
2162 Department no later than the first day of September of the Compliance Year  
2163 subsequent to the Compliance Year for which the Retail Electricity Supplier was out  
2164 of compliance or such date as the Department may specify.  
2165

2166 (4) Suspension or Revocation of License. The Department shall refer its findings of  
2167 noncompliance to the Massachusetts Department of Public Utilities. A Retail  
2168 Electricity Supplier that fails to comply with 225 CMR 14.00 may be subject to the  
2169 Massachusetts Department of Public Utilities Licensure Action under 220 CMR  
2170 11.07(4)(c)1.  
2171

2172 (5) Collection of Financial Security. In the event that a Retail Electricity Supplier  
2173 fails to discharge its annual obligation by September 1<sup>st</sup> under 225 CMR 14.07, 225  
2174 CMR 15.07, or 225 CMR 16.07 by the means described in 225 CMR 14.08(1)  
2175 through (3), 225 CMR 15.08(1) through (4), or 225 CMR 16.08(1) through (3), the  
2176 Department will notify the Retail Electricity Supplier that it must provide the  
2177 Department with a payment using the financial security of which it provided  
2178 evidence the prior January 31<sup>st</sup>, pursuant to 225 CMR 14.08(4), unless a Retail  
2179 Electricity Supplier has an approved alternative payment plan to discharge its annual  
2180 obligations in full that has been approved by the Department prior to September 1<sup>st</sup>.  
2181 The payment shall, within 30-days of notification by the Department, be deposited



2182 into the Alternative Compliance Payment fund established in 225 CMR 14.08(3) and  
2183 shall be in an amount equal to the lesser of:

2184  
2185 (a) the amount of Alternative Compliance Payments that the Retail Electricity  
2186 Supplier must make in order to discharge its annual obligation under 225 CMR  
2187 14.07, 225 CMR 15.07, or 225 CMR 16.07 in full; or

2188  
2189 (b) the full amount of the financial security.

2190  
2191 (6) Partial Compliance. In the event that the collection of financial security under  
2192 225 CMR 14.12(5) results in the collection of an amount of Alternative Compliance  
2193 Payments that is insufficient to discharge a Retail Electricity Supplier's full annual  
2194 obligations under 225 CMR 14.07, 225 CMR 15.07, or 225 CMR 16.07, the Retail  
2195 Electricity Supplier will remain in a state of non-compliance, and the Department  
2196 will take the necessary actions to document and enforce this non-compliance,  
2197 pursuant to 225 CMR 14.12(1) through (4), 225 CMR 15.12(1) through (4), and 225  
2198 CMR 16.12(1) through (4).

2199  
2200 (7) The Department reserves all rights to take any and all appropriate actions to  
2201 ensure the collection of all Alternative Compliance Payments owed to ensure annual  
2202 compliance obligations are fully discharged by a Retail Electricity Supplier,  
2203 including, but not limited to, filing a petition with the Department of Public Utilities  
2204 requesting an investigation into a supplier that is deemed to be in non-compliance by  
2205 the Department.

2206  
2207 14.13: Severability

2208  
2209 If any provision of 225 CMR 14.00 is declared invalid, such invalidity shall not  
2210 affect other provisions or applications that can be given effect without the invalid  
2211 provision or application.

2212  
2213 **REGULATORY AUTHORITY**

2214  
2215 225 CMR 14.00: M.G.L. c. 25A, § 11F.

2216  
2217 **225 CMR 15.00 RENEWABLE ENERGY PORTFOLIO STANDARD – CLASS II**

2218  
2219 Section

- 2220  
2221 15.01: Authority  
2222 15.02: Definitions  
2223 15.03: Administration  
2224 15.04: Applicability  
2225 15.05: Eligibility Criteria for RPS Class II Renewable Generation Units  
2226 15.06: Qualification Process for RPS Class II Renewable Generation Units  
2227 15.07: Renewable Energy Portfolio Standard

2228 15.08: Compliance Procedures for Retail Electricity Suppliers  
2229 15.09: Annual Compliance Filings for Retail Electricity Suppliers  
2230 15.10: Reporting Requirements  
2231 15.11: Inspection  
2232 15.12: Non-compliance  
2233 15.13: Severability

2234  
2235 15.01: Authority

2236  
2237 225 CMR 15.00 is promulgated pursuant to M.G.L. c. 25A, § 11F.  
2238

2239 15.02: Definitions

2240  
2241 Aggregation. A group of one or more Generation Units that receives a single  
2242 Statement of Qualification from the Department under criteria and procedures set  
2243 forth in 225 CMR 15.05(4).  
2244

2245 Alternative Compliance Credit. A credit obtained by a Retail Electricity Supplier  
2246 upon making an Alternative Compliance Payment. Such credit is used to document  
2247 compliance with 225 CMR 15.07. One unit of credit shall be equivalent to the RPS  
2248 Class II Renewable Generation Attribute associated with one MWh of electrical  
2249 energy output from an RPS Class II Renewable Generation Unit, excluding Waste  
2250 Energy Generation Units, and one unit of credit shall be equivalent to the RPS Class  
2251 II Waste Energy Generation Attribute associated with one MWh of electrical energy  
2252 output from an RPS Class II Waste Energy Generation Unit.  
2253

2254 Alternative Compliance Payment (ACP). A payment of a certain dollar amount per  
2255 MWh, resulting in the issuance of Alternative Compliance Credits, which a Retail  
2256 Electricity Supplier may submit to the Department in lieu of providing RPS Class II  
2257 Renewable Generation Attributes or RPS Class II Waste Energy Generation  
2258 Attributes required under 225 CMR 15.07.  
2259

2260 Biomass Fuel Certificate. A certificate issued in accordance with rules established  
2261 by the Department in the *Guideline on Eligible Biomass Fuel for Renewable*  
2262 *Generation Units* that:

- 2263 (a) quantifies the supply of Eligible Biomass Woody Fuel or Manufactured  
2264 Biomass Fuel;  
2265 (b) specifies the source of the Eligible Biomass Woody Fuel or Manufactured  
2266 Biomass Fuel; and  
2267 (c) specifies the eligibility of the Eligible Biomass Woody Fuel or  
2268 Manufactured Biomass Fuel as Forest Derived Residues, Forest Derived  
2269 Thinnings, Forest Salvage, Non-Forest Derived Residues, or Dedicated Energy  
2270 Crops.  
2271

2272 Blended Fuel. A liquid or gaseous fuel that is blended from both Eligible RPS Class  
2273 II Renewable Fuel(s) and ineligible fuel(s), a portion of whose electrical energy

2274 output may qualify as RPS Class II Renewable Generation under criteria set forth in  
2275 225 CMR 15.05(2).

2276  
2277 Business Day. A business day shall mean Monday through Friday, exclusive of  
2278 state and federal legal holidays.

2279  
2280 Certificates Obligation. A term defined in the NEPOOL GIS Operating Rules at  
2281 Rule 4.1(b), or any successor rule.

2282  
2283 Clean Wood. Clean Wood as defined in 310 CMR 19.006.

2284  
2285 Commercial Operation Date. The date that a Generation Unit first produced  
2286 electrical energy for sale within the ISO-NE Control Area or within an adjacent  
2287 Control Area. In the case of a Generation Unit that is connected to the End-use  
2288 Customer's side of the electric meter or produces Off-grid Generation, the date that  
2289 such Generation Unit first produced electrical energy.

2290  
2291 Compliance Filing. A document filed annually by a Retail Electricity Supplier with  
2292 the Department documenting compliance with 225 CMR 15.07, consistent with the  
2293 format set forth in the Guidelines and submitted no later than the first day of July, or  
2294 the first Business Day thereafter, of the subsequent Compliance Year.

2295  
2296 Compliance Year. A calendar year beginning January 1 and ending December 31,  
2297 for which a Retail Electricity Supplier must demonstrate that it has met the  
2298 requirements of 225 CMR 15.07 and 15.08.

2299  
2300 Control Area. A geographic region in which a common generation control system is  
2301 used to maintain scheduled interchange of electrical energy within and without the  
2302 region.

2303  
2304 Current Use Program. A state administered program that permits a property owner  
2305 to have a  
2306 parcel of land taxed at a rate based on the current use of the land including but not  
2307 limited to open space, active forestry, or agriculture as opposed to the fair market or  
2308 development value of the property.

2309  
2310 DCR. The Massachusetts Department of Conservation and Recreation (DCR)  
2311 established by M.G.L. c. 21 § 1.

2312  
2313 Department. The Massachusetts Department of Energy Resources (DOER)  
2314 established by M.G.L. c. 25A, § 1.

2315  
2316 Distribution Company. A distribution company as defined in M.G.L. c. 164 § 1.

2317  
2318 Eligible Biogas Fuel. A gaseous fuel that is produced by the contemporaneous  
2319 bacterial decomposition or thermal gasification of Eligible Biomass Fuel. Eligible

2320 Biogas Fuel does not include natural gas, but does include renewable natural gas,  
2321 which is Eligible Biogas Fuel upgraded to a quality similar to natural gas.  
2322

2323 Eligible Biomass Fuel. Fuel sources consisting of the following:

- 2324 (a) Eligible Biomass Woody Fuel;
  - 2325 (b) Manufactured Biomass Fuel;
  - 2326 (c) Eligible Biomass Fuel;
  - 2327 (d) by-products or waste from animals or agricultural crops;
  - 2328 (e) food or vegetative material;
  - 2329 (f) algae;
  - 2330 (g) organic refuse-derived fuel; and
  - 2331 (h) Eligible Liquid Biofuel.
- 2332

2333 Eligible Biomass Woody Fuel. Woody fuels that are derived from the following  
2334 sources, consistent with the requirements of 225 CMR 15.05(5):  
2335

2336 (a) Forest Derived Residues:

- 2337 1. Tops, crooks, and other portions of trees produced as a byproduct, and  
2338 trees collaterally damaged, during the normal course of harvesting  
2339 material, such as timber, pulpwood, or cordwood in the implementation  
2340 of a silvicultural prescription as administered by a licensed or certified  
2341 forester as prescribed in the Department's *Guideline on Eligible*  
2342 *Biomass Fuel for Renewable Generation Units*.
  - 2343 2. Trees and portions of trees harvested for the purpose of the restoration  
2344 and management of habitat for rare & endangered species as listed by  
2345 the Massachusetts Division of Fisheries and Wildlife. Qualifying  
2346 harvest areas must be approved by the Massachusetts Division of  
2347 Fisheries and Wildlife Natural Heritage Program.
  - 2348 3. Other woody vegetation that interferes with regeneration or the natural  
2349 growth of the forest, limited to locally invasive native species and non-  
2350 native invasive woody vegetation.
- 2351

2352 (b) Forest Derived Thinnings:

- 2353 1. Unacceptable growing stock which is defined as trees considered  
2354 structurally weak or have low vigor and do not have the potential to  
2355 eventually yield an eight-foot sawlog or survive for at least the next ten  
2356 years.
  - 2357 2. Trees removed during thinning operations, the purpose of which is to  
2358 reduce stand density and enhance diameter growth and volume of the  
2359 residual stand.
- 2360

2361 (c) Forest Salvage:

- 2362 1. Damaged, dying, or dead trees removed due to injurious agents, such as  
2363 wind or ice storms or the spread of invasive epidemic forest pathogens,  
2364 insects, and diseases or other epidemic biological risks to the forest, but  
2365

2366 not removed due to competition. Such eligible trees may be removed  
2367 without limitation for biomass fuel, only if the injurious agent is a  
2368 threat to forest health or risk to private or public resources, and if the  
2369 United States Department of Agriculture Animal and Plant Health  
2370 Inspection Service, the United States Department of Agriculture Forest  
2371 Service, or appropriate federal or state governmental agency has issued  
2372 a declaration, rule, or order declaring a major threat to forest health or  
2373 risk to private or public resources, or if they are harvested through a  
2374 DCR approved cutting plan.

- 2375 2. Trees removed to reduce fire hazard within fire-adapted forest  
2376 ecosystems, as certified by a letter to the Department from the state  
2377 agency responsible for forestry in consultation with the appropriate  
2378 environmental state agencies.

2379  
2380 (d) Non-Forest Derived Residues:

- 2381 1. Primary forest products industry: Residues derived from wood  
2382 products manufacturing consisting of Clean Wood.
- 2383  
2384 2. Land use change – agricultural: Trees cut or otherwise removed in the  
2385 process of converting forest land to agricultural usage, either for new or  
2386 restored farm land.
- 2387  
2388 3. Wood waste: Post-consumer wood products from Clean Wood; pruned  
2389 branches, stumps, and whole trees removed during the normal course of  
2390 maintenance of public or private roads, highways, driveways, utility  
2391 lines, rights of way, and parks.
- 2392  
2393 4. Agricultural wood waste. Pruned branches, stumps, and whole trees  
2394 resulting from maintenance activities directly related to the production  
2395 of an agricultural product that is not Clean Wood.

2396  
2397 Eligible Liquid Biofuel. A liquid fuel that is derived from organic waste feedstock  
2398 and meets the standards for advanced biofuels under the Environmental Protection  
2399 Agency’s Renewable Fuel Standard (RFS2) program. Organic waste feedstocks  
2400 shall include, but not be limited to, waste vegetable oils, waste animal fats, or grease  
2401 trap waster. Eligible Liquid Biofuel shall not include petroleum-based waster or  
2402 Hazardous Waste as defined in 310 CMR 40.0006: *Terminology, Definitions, and*  
2403 *Acronyms*, unless otherwise determined by the Department in consultation with  
2404 MassDEP.

2405  
2406 Eligible RPS Class II Renewable Fuel. An Eligible Biomass Fuel, municipal solid  
2407 waste, hydrogen derived from such fuels or hydrogen derived from water using the  
2408 electrical output of a Renewable Generation Unit, but not hydrogen derived using  
2409 RPS Class I or Class II Renewable Generation if the RPS Class I or Class II  
2410 Renewable Generation Attributes of such Generation are sold, retired, claimed, used  
2411 or represented as part of electrical energy output or sales, or used to satisfy

2412 regulatory obligations in any jurisdictions, and not hydrogen derived directly or  
2413 indirectly from ineligible fuels.

2414  
2415 End-use Customer. A person or entity in Massachusetts that purchases electrical  
2416 energy at retail from a Retail Electricity Supplier, except that a Generation Unit  
2417 taking station service at wholesale from ISO-NE or self-supplying from its owner's  
2418 other generating stations, shall not be considered an End-use Customer.

2419  
2420 Generation Attribute. A non-price characteristic of the electrical energy output of a  
2421 Generation Unit including, but not limited to, the Generation Unit's fuel type,  
2422 emissions, vintage and RPS eligibility.

2423  
2424 Generation Unit. A facility that converts a fuel or an energy resource into electrical  
2425 energy.

2426  
2427 Geothermal Energy. Heat energy stored in the Earth's crust that can be accessed for  
2428 electric power generation.

2429  
2430 GIS Certificate. An electronic record produced by the NEPOOL GIS that identifies  
2431 Generation Attributes of each MWh accounted for in the NEPOOL GIS.

2432  
2433 Guidelines. A set of clarifications, interpretations, and procedures, including forms,  
2434 developed by the Department to assist in compliance with the requirements of 225  
2435 CMR 15.00. The Department may issue new or revised Guidelines from time to  
2436 time. Each Guideline shall be effective on its date of issuance or on such date as is  
2437 specified therein, except as otherwise provided in 225 CMR 15.00.

2438  
2439 Hydroelectric Energy. Electrical energy from a Generation Unit that uses flowing  
2440 freshwater as the primary energy resource, with or without a dam structure or other  
2441 means of regulating water flow, and that is not located at a facility that uses  
2442 mechanical or electrical energy to pump water into a storage facility.

2443  
2444 Impacted Watershed. All water bodies or areas of land hydrologically connected to  
2445 a hydroelectric facility, whether located upstream or downstream, which may  
2446 experience any alteration of their physical, biological, or ecological characteristics  
2447 as a result of the operation or increased capacity expansion of a Generation Unit.

2448  
2449 ISO-NE. ISO New England Inc., the independent system operator for New England,  
2450 the regional transmission organization for most of New England, which is  
2451 authorized by the Federal Energy Regulatory Commission (FERC) to exercise for  
2452 the New England Control Area the functions required pursuant to the FERC's Order  
2453 No. 2000, the FERC's corresponding regulations, and any successor FERC orders  
2454 and regulations.

2455 ISO-NE Settlement Market System. The ISO-NE's electronic database system into  
2456 which all real-time load and generation data are entered and from which such data  
2457 are provided to the NEPOOL GIS.  
2458

2459 Low Impact Hydro Power Institute (LIHI). A non-profit 501(c)(3) organization,  
2460 whose stated purpose is to reduce the impacts of hydropower generation through the  
2461 certification of hydropower projects that have avoided or reduced their  
2462 environmental impacts pursuant to the Low Impact Hydropower Institute's criteria.  
2463

2464 Manufactured Biomass Fuel. A biomass fuel that is prepared, other than by means  
2465 of fuel drying, through a fuel processing facility that is separate from a Generation  
2466 Unit and that utilizes Eligible Biomass Woody Fuel for production. Examples  
2467 include, but are not limited to, the mechanical production of wood pellets or bio-  
2468 dust, and the refinement of bio-oil through pyrolysis.  
2469

2470 Marine or Hydrokinetic Energy. Electrical energy derived from waves, tides and  
2471 currents in oceans, estuaries and tidal areas; free-flowing water in rivers, lakes,  
2472 streams, and human-made channels, provided that such water is not diverted,  
2473 impounded, or dammed; or differentials in ocean temperature, called ocean thermal  
2474 energy conversion.  
2475

2476 Massachusetts Clean Energy Technology Center (MassCEC). The center  
2477 established in M.G.L. c. 23J, § 2.  
2478

2479 MassDEP. The Massachusetts Department of Environmental Protection established  
2480 by M.G.L. c. 21A, § 7.  
2481

2482 Megawatt-hour (MWh). A unit of electrical energy or work equivalent to one  
2483 million watts of power operating for one hour, or, for the purpose of thermal energy,  
2484 a unit of energy equal to 3,412,000 British Thermal Units (Btu).  
2485

2486 Merchantable Bio-products. Products that are refined from a biomass fuel by a bio-  
2487 refinery project in which the Generation Unit is integral. Products include but are  
2488 not limited to merchantable chemicals such as additives, lubricants, or specialty  
2489 chemicals, and other products which can be permanently sequestered for carbon  
2490 reductions.  
2491

2492 NEPOOL GIS. The NEPOOL Generation Information System, which includes a  
2493 generation information database and certificate system, operated by the New  
2494 England Power Pool (NEPOOL), its designee or successor entity, that accounts for  
2495 Generation Attributes of electrical energy consumed within, imported into, or  
2496 exported from the ISO-NE Control Area.  
2497

2498 Off-grid Generation. The electrical energy produced by a Generation Unit that is  
2499 not connected to a utility transmission or distribution system.

2500 Operator. Any person or entity who has charge or control of a Generation Unit  
2501 subject to 225 CMR 15.00, including without limitation a duly authorized agent or  
2502 lessee of the Owner, or a duly authorized independent contractor.  
2503

2504 Owner. Any person or entity who, alone or in conjunction with others, has legal  
2505 ownership, a leasehold interest, or effective control over the real property or  
2506 property interest upon which a Generation Unit is located, or the airspace above said  
2507 real property, including without limitation a duly authorized agent of the Owner.  
2508 For the purposes of 225 CMR 15.02, Owner does not mean a person or entity  
2509 holding legal title or security interest solely for the purpose of providing financing.  
2510

2511 Relevant Hydroelectric Agency. A federal, state or provincial agency with oversight  
2512 over fish and wildlife, water quality, river flows, fish passage and protection,  
2513 mitigation and enhancement opportunities, related to a hydroelectric facility located  
2514 in the Impacted Watershed or that impacts downstream or upstream passage of fish  
2515 and wildlife.  
2516

2517 Renewable Generation. The electrical energy output of a Renewable Generation  
2518 Unit.  
2519

2520 Renewable Generation Attribute. The Generation Attribute of the electrical energy  
2521 output of a specific Generation Unit that derives from the Generation Unit's  
2522 production of Renewable Generation.  
2523

2524 Renewable Generation Unit. A Generation Unit that uses an Eligible RPS Class II  
2525 Renewable Fuel, Hydroelectric Energy, waste-to-energy that is a component of  
2526 conventional municipal solid waste plant technology in commercial use, or any of  
2527 the fuels, energy resources or technologies set forth in 225 CMR 15.04(1)(a).  
2528

2529 Retail Electricity Product. An electrical energy offering that is distinguished by its  
2530 Generation Attributes and that is offered for sale by a Retail Electricity Supplier to  
2531 End-use Customers.  
2532

2533 Retail Electricity Supplier. A person or entity that sells electrical energy to End-use  
2534 Customers in Massachusetts, including but not limited to electric utility Distribution  
2535 Companies supplying basic service or any successor service to End-use Customers.  
2536 A Municipal Lighting Plant shall be considered a Retail Electricity Supplier;  
2537 however, it shall be exempt from the obligations of a Retail Electricity Supplier  
2538 under 225 CMR 15.00 so long as and insofar as it is exempt from the requirements  
2539 to allow competitive choice of generation supply pursuant to M.G.L. c. 164, § 47A.  
2540

2541 RPS Class II Renewable Generation. The electrical energy output of an RPS  
2542 Class II Renewable Generation Unit, or that portion of the electrical energy output  
2543 of an RPS Class II Generation Unit that qualifies under  
2544

(a) a Co-firing and Blended Fuel Waiver, pursuant to 225 CMR 15.05(2);



2545 (b) the Special Provisions for a Generation Unit Located in a Control Area  
2546 Adjacent to the ISO-NE Control Area, pursuant to 225 CMR 15.05(3); or  
2547 (c) any other applicable provision of 225 CMR 15.00.  
2548

2549 RPS Class II Renewable Generation Attribute. The Generation Attribute of the  
2550 electrical energy output of a specific RPS Class II Generation Unit that derives from  
2551 the Generation Unit's production of RPS Class II Renewable Generation, excluding  
2552 Attributes derived from the production of Waste Energy.  
2553

2554 RPS Class II Renewable Generation Unit. A Generation Unit or Aggregation that  
2555 has received an RPS Class II Statement of Qualification from the Department.  
2556

2557 RPS Class II Waste Energy Generation Attribute. The Generation Attribute of the  
2558 electrical energy output of a specific Waste Energy Generation Unit that derives  
2559 from the Generation Unit's production of Waste Energy.  
2560

2561 Statement of Qualification (SQ). A written document from the Department that  
2562 qualifies a Generation Unit or Aggregation as an RPS Class II Qualified Generation  
2563 Unit, or that qualifies a portion of the annual electrical energy output of a  
2564 Generation Unit or Aggregation as RPS Class II Renewable Generation.  
2565

2566 Sustainable Forestry Management. Practicing a land stewardship ethic that  
2567 integrates the reforestation, managing, growing, nurturing, and harvesting of trees  
2568 for useful products with the conservation of soil, air and water quality, wildlife and  
2569 fish habitat, and aesthetics and the stewardship and use of forests and forest lands in  
2570 a way, and a rate, that maintains their biodiversity, productivity, regeneration  
2571 capacity, vitality, and potential to fulfill, now and in the future, relevant ecological,  
2572 economic, and social functions at local, national, and global levels, and that does not  
2573 cause damage to other ecosystems. Criteria for sustainable forestry include:

- 2574 (a) conservation of biological diversity;
- 2575 (b) maintenance of productive capacity of forest ecosystems;
- 2576 (c) maintenance of forest ecosystem health and vitality;
- 2577 (d) conservation and maintenance of soil and water resources;
- 2578 (e) maintenance of forest contributions to global carbon cycles;
- 2579 (f) maintenance and enhancement of long-term multiple socioeconomic benefits  
2580 to meet the needs of societies; and
- 2581 (g) a legal, institutional, and economic framework for forest conservation and  
2582 sustainable management.  
2583

2584 Useful Thermal Energy. Energy in the form of direct heat, steam, hot water, or  
2585 other thermal form that is used in production and beneficial measures for heating,  
2586 cooling, humidity control, process use, or other valid thermal end use energy  
2587 requirements, for which fuel or electricity would otherwise be consumed. Thermal  
2588 energy used to produce a dried or refined biomass fuel shall not be considered  
2589 Useful Thermal Energy if the biomass fuel produced is used to fuel the Generation  
2590 Unit that dried or refined the biomass fuel.

2591 Valid Air Permit. Within the United States, a current and effective authorization,  
2592 license, certificate, or like approval to construct and/or operate a source of air  
2593 pollution, issued or required by the regulatory agency designated in the applicable  
2594 State Implementation Plan to issue permits under the Clean Air Act, 42 U.S.C. §§  
2595 7401, *et seq.* In jurisdictions outside of the United States, it shall be a document  
2596 demonstrating an equivalent authorization.

2597  
2598 Waste Energy. Electrical energy generated from the combustion of municipal solid  
2599 waste.

2600  
2601 Waste Energy Generation Unit. A Generation Unit that utilizes conventional  
2602 municipal solid waste plant technology in commercial use to generate Waste  
2603 Energy.

2604  
2605 15.03: Administration

2606  
2607 225 CMR 15.00 shall be administered by the Department.

2608  
2609 15.04: Applicability

2610  
2611 225 CMR 15.00 applies to Retail Electricity Suppliers and to the Owners or  
2612 Operators of RPS Class II Generation Units.

2613  
2614 15.05: Eligibility Criteria for RPS Class II Generation Units

2615  
2616 (1) Eligibility Criteria. A Generation Unit may qualify as an RPS Class II  
2617 Generation Unit subject to the limitations in 225 CMR 15.05.

2618  
2619 (a) Fuels, Energy Resources and Technologies. The Generation Unit shall use  
2620 one or more of the fuels, energy resources and/or technologies listed in 225  
2621 CMR 15.05(1)(a)1 through 10.

2622  
2623 1. Solar photovoltaic or solar thermal electric energy.

2624  
2625 2. Wind energy.

2626  
2627 3. Ocean thermal, wave or tidal energy.

2628  
2629 4. Fuel cells using an Eligible RPS Class II Renewable Fuel.

2630  
2631 5. Landfill methane gas, provided that such gas is collected and conveyed  
2632 directly to the Generation Unit without use of facilities used as common  
2633 carriers of natural gas.

2634 6. Hydroelectric. A Generation Unit that uses Hydroelectric Energy may  
2635 qualify as an RPS Class II Generation Unit, subject to the limitations in 225  
2636 CMR 15.05(1)(a)6.  
2637

2638 a. The Generation Unit has a nameplate capacity up to 7.5 megawatts.  
2639

2640 b. The Generation Unit does not involve any dam or water diversion  
2641 structure constructed after December 31, 1997, or pumped storage of  
2642 water.  
2643

2644 c. The Generation Unit does not generate Marine or Hydrokinetic  
2645 Energy.  
2646

2647 d. The Generation Unit meets appropriate and site-specific standards  
2648 that address adequate and healthy river flows, water quality standards,  
2649 fish passage and protection measures and mitigation and enhancement  
2650 opportunities in the Impacted Watershed, as determined by the  
2651 Department in consultation with Relevant Hydroelectric Agencies. The  
2652 Generation Unit shall demonstrate compliance with such standards by  
2653 submitting the documentation required in either 225 CMR  
2654 15.05(1)(a)6.d.i or ii.  
2655

2656 i. LIHI Certification of the Generation Unit; except that in either  
2657 of the two circumstances provided in 225 CMR 15.05(1)(a)6.d.i,  
2658 the Department may request further information from the applicant  
2659 and the Relevant Hydroelectric Agencies as part of its review of  
2660 the applicant's Statement of Qualification Application. The  
2661 Department shall notify the applicant of any such input from a  
2662 Relevant Hydroelectric Agency not later than 30 days after  
2663 receiving such input and shall provide the applicant an opportunity  
2664 to respond to the Department not later than 30 days after the  
2665 applicant's receipt of such notice from the Department.  
2666

2667 (i) If a Relevant Hydroelectric Agency identified an  
2668 environmental concern and a proposed remedy to LIHI  
2669 during the LIHI certification process, and such concern was  
2670 not addressed in the LIHI certification to the satisfaction of  
2671 the Agency, and the Agency consulted with the Owner or  
2672 Operator of the Generation Unit; or  
2673

2674 (ii) If, between issuance of the LIHI certification and the  
2675 Department's determination of the Generation Unit's  
2676 eligibility, a Relevant Hydroelectric Agency submits to the  
2677 Department evidence of a significant environmental problem  
2678 not previously known by such Agency, after consulting with  
2679 the Owner or Operator of the Generation Unit.

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

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

f. If LIHI fails to act to certify or deny certification within 180 days from the date of submission of the Generation Unit’s application to LIHI, the Owner or Operator shall file notice of such event with the Department. The Department shall review the federal, state or provincial permits for the Generation Unit and any submissions to LIHI by Relevant Hydroelectric Agencies, and shall make a final determination as to whether the Generation Unit meets environmental standards specified in 225 CMR 15.05(1)(a)6.d.

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

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

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

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

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

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

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

a. A Generation Unit utilizing an Eligible Biomass Fuel that is required to obtain an air permit in its jurisdiction must possess a Valid Air Permit.

b. The Department shall set forth in Guidelines low-emission eligibility criteria which will become effective on their date of issuance. Any emission eligibility criteria in subsequently revised regulations or Guidelines shall become effective 12 months from their date of issuance. A Generation Unit utilizing an Eligible Biomass Fuel that is not a solid fuel, such as Eligible Liquid Biofuel, or does not use a steam boiler, shall follow the low-emission eligibility criteria process described in the Departments' *Guideline on Eligible Biomass Fuel for Renewable Generation Units*. In the case of a Generation Unit for whose size, type, or fuel the Department's Guidelines do not provide applicable emission limits, the Department will determine appropriate limits in consultation with the MassDEP.

c. A Generation Unit utilizing an Eligible Biomass Woody Fuel or Manufactured Biomass Fuel that has 5% or more of its fuel sourced from Forest Derived Residues, Forest Derived Thinnings and Forest Salvage must achieve an overall efficiency of at least 60% on a quarterly basis. A Generation Unit utilizing an Eligible Biomass Woody Fuel or Manufactured Biomass Fuel that has over 95% or more of its fuel sourced from Non-Forest Derived Residues on a quarterly basis shall have no applicable overall efficiency requirement. The procedure for calculating whether the Generation Unit meets the 60% overall efficiency requirement can be found in the Department's *Guideline on Overall Efficiency and Greenhouse Gas Analysis*.

d. A Generation Unit utilizing an Eligible Biogas Fuel, Eligible Biomass Woody Fuel, Eligible Liquid Biofuel or Manufactured Biomass Fuel shall reduce lifecycle greenhouse gas emissions, over a 20-year lifecycle, by at

2771 least 50% compared to the operation of a new combined cycle natural gas  
2772 electric generating facility using the most efficient commercially  
2773 available technology as of the date of the Statement of Qualification  
2774 Application for the portion of electricity delivered by the Generation Unit  
2775 and, if applicable, the operation of the fossil fuel fired thermal energy  
2776 unit being displaced, or in the case of new Useful Thermal Energy, a gas-  
2777 fired thermal energy unit using the most efficient commercially available  
2778 technology as of the date of Statement of Qualification Application for  
2779 the portion of the Useful Thermal Energy delivered by the Generation  
2780 Unit. The procedure for calculating whether a Generation Unit meets the  
2781 50% reduction can be found in the Department's *Guideline on Overall*  
2782 *Efficiency and Greenhouse Gas Analysis*.  
2783

2784 i. A Generation Unit that does not achieve a lifecycle greenhouse  
2785 gas emissions reduction of at least 50% over a 20-year lifecycle in a  
2786 particular calendar quarter of the Compliance Year, pursuant to 225  
2787 CMR 15.05(1)(a)8.d, shall not be eligible to report RPS Class II  
2788 Renewable Generation Attributes to the NEPOOL GIS for that  
2789 calendar quarter.  
2790

2791 e. In the case of a Generation Unit that uses Eligible Biogas Fuel, the  
2792 Eligible Biogas Fuel may be either conveyed directly to the Generation  
2793 Unit without the use of facilities used as common carriers of natural gas,  
2794 or transported to a Generation Unit within the ISO-NE Control Area or an  
2795 adjacent Control Area via a common carrier of natural gas, in which  
2796 instance the gas would be subject to the following provisions:  
2797

- 2798 i. the gas is produced entirely within the ISO-NE Control Area or  
2799 an adjacent Control Area;
- 2800
- 2801 ii. documentation is provided, satisfactory to the Department,  
2802 regarding the gas transportation and related contracts; and
- 2803
- 2804 iii. demonstration is provided, satisfactory to the Department, that  
2805 the gas can be physically delivered to the Generation Unit.  
2806

2807 9. Marine or Hydrokinetic Energy.

2808

2809 10. Geothermal Energy.

2810

2811 (b) Commercial Operation Date. The Commercial Operation Date shall be on  
2812 or before December 31, 1997.

2813

2814 (c) Metering. The electrical energy output from a Generation Unit shall be  
2815 verified by the ISO-NE or by an independent verification system or person  
2816 participating in the NEPOOL GIS accounting system as an independent Third

2817 Party Meter Reader, as defined in Rule 2.5(j) of the NEPOOL GIS Operating  
2818 Rules, or any successor rule, and approved by the Department.

2819  
2820 (d) Location. The Generation Unit location is subject to the following  
2821 limitations:

2822  
2823 1. Off-grid Generation. If the Generation Unit produces Off-grid  
2824 Generation, such Generation Unit must be located in Massachusetts.

2825  
2826 2. Behind-the-meter Generation. If the Generation Unit is wired to the  
2827 electrical system on the End-use Customer's side of a retail electric meter,  
2828 such Generation Unit must be located inside the ISO-NE Control Area and  
2829 have a nameplate capacity of 25 megawatts or less.

2830  
2831 (2) Co-Firing and Blended Fuel Waiver. All or a portion of the electrical energy  
2832 output of a Generation Unit that uses ineligible fuel in conjunction with an Eligible  
2833 RPS Class II Renewable Fuel, whether by co-firing such fuels or by using a Blended  
2834 Fuel, may qualify as RPS Class II Renewable Generation provided the Generation  
2835 Unit meets the eligibility requirements of 225 CMR 15.05, subject to the limitations  
2836 in 225 CMR 15.05(2).

2837  
2838 (a) The portion of the total electrical energy output that qualifies as RPS  
2839 Class II Renewable Generation in a given time period shall be equal to the ratio  
2840 of the net heat content of the Eligible RPS Class II Renewable Fuel consumed to  
2841 the net heat content of all fuel consumed in that time period.

2842  
2843 (b) If using a Blended Fuel of which the eligible portion is an Eligible Biomass  
2844 Fuel or if co-firing an ineligible fuel with an Eligible Biomass Fuel, the entire  
2845 Generation Unit must meet the requirements of an advanced biomass Power  
2846 Conversion Technology as set forth in 225 CMR 15.05(1)(a)8.

2847  
2848 (c) If using an Eligible Biomass Fuel, the Generation Unit must demonstrate to  
2849 the satisfaction of the Department that the emission rates for the entire  
2850 Generation Unit are consistent with rates prescribed by the MassDEP for  
2851 comparably fueled Generation Units in the Commonwealth. The Department  
2852 may require the Generation Unit Owner or Operator to retain at its own expense  
2853 a third-party consultant deemed satisfactory to the Department, to provide the  
2854 Department and the MassDEP with assistance in this determination.

2855  
2856 (d) The Generation Unit must provide with its Statement of Qualification  
2857 Application a fuel supply plan that specifies each and every fuel that it intends to  
2858 use, in what relative proportions either in co-firing or in a Blended Fuel, and  
2859 with what individual input heat values. Such plan shall include the procedures  
2860 by which the Unit will document to the satisfaction of the Department its  
2861 compliance with the plan.  
2862

2863 (e) The provisions of 225 CMR 15.05(2) shall not apply to the incidental use of  
2864 ineligible fuels for the purpose of cold starting a Generation Unit that otherwise  
2865 exclusively uses an Eligible RPS Class II Renewable Fuel.  
2866

2867 (3) Special Provisions for a Generation Unit Located in a Control Area Adjacent to  
2868 the ISO-NE Control Area. The portion of the total electrical energy output of an  
2869 RPS Class II Generation Unit located in a Control Area adjacent to the ISO-NE  
2870 Control Area that qualifies as RPS Class II Renewable Generation shall meet the  
2871 requirements in Rule 2.7(c) and all other relevant sections of the NEPOOL GIS  
2872 Operating Rules or any successor rule, and the following requirements:  
2873

2874 (a) The Generation Unit Owner or Operator shall provide documentation,  
2875 satisfactory to the Department, that the RPS Class II Renewable Generation  
2876 Attributes or RPS Class II Waste Energy Generation Attributes have not  
2877 otherwise been, nor will be, sold, retired, claimed, used or represented as part of  
2878 electrical energy output or sales, or used to satisfy obligations in jurisdictions  
2879 other than Massachusetts.  
2880

2881 (b) The Generation Unit Owner or Operator must provide an attestation in a  
2882 form to be provided by the Department that it will not itself or through any  
2883 affiliate or other contracted party, engage in the process of importing RPS  
2884 Class II Renewable Generation into the ISO-NE Control Area for the creation of  
2885 RPS Class II Renewable GIS Certificates, and then exporting that energy or a  
2886 similar quantity of other energy out of the ISO-NE Control Area during the same  
2887 hour.  
2888

2889 (c) The quantity of electrical energy output from an RPS Class II Generation  
2890 Unit outside the ISO-NE Control Area that can qualify as RPS Class II  
2891 Renewable Generation at the NEPOOL GIS during each hour is limited to the  
2892 lesser of the RPS Class II Renewable Generation actually produced by the Unit  
2893 or the RPS Class II Renewable Generation actually scheduled and delivered into  
2894 the ISO-NE Control Area.  
2895

2896 (4) Special Provisions for Aggregations. An Aggregation of Generation Units that  
2897 are located behind the customer meter or that are Off-grid Generation Units, each of  
2898 which could independently meet the relevant requirements of 225 CMR 15.05, may  
2899 receive a single Statement of Qualification and be treated as a single RPS Class II  
2900 Renewable Generation Unit under the following criteria and procedures:

2901 (a) Each Generation Unit in such Aggregation must use the same fuel, energy  
2902 resource and technology as all other Generation Units in the Aggregation.

2903 (b) Each of the Owners or Operators of Generation Units within the  
2904 Aggregation must enter into an agreement with a person or entity that serves as  
2905 the Authorized Agent for the Aggregation in all dealings with the Department  
2906 and with the NEPOOL GIS, and such agreement must include procedures by



2907 which the electrical energy output of each Generation Unit shall be monitored  
2908 and reported to the NEPOOL GIS.

2909 (c) The Authorized Agent of the Aggregation must establish and maintain a  
2910 Generator account at the NEPOOL GIS under the NEPOOL GIS Operating  
2911 Rules, including all provisions for Non-NEPOOL Generator Representatives,  
2912 as that term is defined in Rule 2.1(a)(vi) of those Rules, or any successor rules.

2913 (d) The electrical energy output of each of the Generation Units in the  
2914 Aggregation must be individually monitored and recorded, and it must be  
2915 reported to the NEPOOL GIS as part of an aggregated total for the  
2916 Aggregation, by an independent Third Party Meter Reader, as defined in Rule  
2917 2.5(j) of the NEPOOL GIS Operating Rules, or any successor rule, and  
2918 approved by the Department.

2919 (5) Special Provisions for Generation Units Using Eligible Biomass Woody Fuels,  
2920 Co-Mingled Biomass Woody Fuels, or Manufactured Biomass Fuels. An Owner,  
2921 Operator, or Authorized Agent of a Generation Unit that uses an Eligible Biomass  
2922 Woody Fuel or a Manufactured Biomass Fuel must meet the following provisions:  
2923

2924 (a) Sustainable Forest Management. Forest Derived Residues and Thinnings  
2925 shall only be sourced from forests meeting Sustainable Forestry Management  
2926 practices, as independently verified through the attestation of a licensed forester,  
2927 certified forester or independent certification.  
2928

2929 (b) Overall Efficiency. A Generation Unit utilizing Eligible Biomass Woody  
2930 Fuel or Manufactured Biomass Fuel that does not comply with the overall  
2931 efficiency requirements in 225 CMR 15.05(1)(a)8.c shall be subject the  
2932 following:  
2933

2934 1. A Generation Unit utilizing Eligible Biomass Woody Fuel or  
2935 Manufactured Biomass Fuel that has 5% or more of its fuel sourced from  
2936 Forest Derived Residues, Forest Derived Thinnings and Forest Salvage  
2937 and does not achieve an overall efficiency of at least 60% in a particular  
2938 calendar quarter of the Compliance Year, pursuant to 225 CMR  
2939 15.05(1)(a)8.c, shall not be eligible to report RPS Class II Renewable  
2940 Generation Attributes to the NEPOOL GIS for that calendar quarter.  
2941

2942 2. A Generation Unit utilizing Eligible Biomass Woody Fuel or  
2943 Manufactured Biomass Fuel that has more than 95% of its fuel sourced  
2944 from Non-Forest Derived Residues in a particular calendar quarter of the  
2945 Compliance Year, shall only be eligible to receive RPS Class II  
2946 Renewable Generation Attributes at NEPOOL GIS in a proportion equal  
2947 to the percentage of fuel sourced from Non-Forest Derived Residues for  
2948 that calendar quarter.  
2949

2950 (c) Reporting Requirements for Generation Units using Eligible Biomass  
2951 Woody Fuel or Manufactured Biomass Fuel. An Owner, Operator, or  
2952 Authorized Agent of a Generation Unit using Eligible Biomass Woody Fuel or

2953 Manufactured Biomass Fuel shall provide to the Department on a quarterly  
2954 basis the Biomass Fuel Report as prescribed in the Department's *Guideline on*  
2955 *Eligible Biomass Fuel for Renewable Generation Units*.

2956  
2957 (d) Verification of Eligible Biomass Woody Fuel. In order to verify the use of  
2958 Eligible Biomass Woody Fuel, an RPS Class I Renewable Generation Unit  
2959 utilizing Eligible Biomass Woody Fuel shall report the following to the  
2960 Department on a quarterly basis in a manner outlined in the Department's  
2961 *Guideline on Eligible Biomass Fuel for Renewable Generation Units*:

- 2962 1. Supplier of the fuel;
- 2963 2. Amount of fuel delivered; and
- 2964 3. Date of delivery.

2965  
2966  
2967  
2968  
2969 (e) Biomass Fuel Certificate. The tonnage of all Eligible Biomass Woody Fuel  
2970 or Manufactured Biomass Fuel reported in the Quarterly Biomass Fuel Report  
2971 shall be documented by ownership of the Biomass Fuel Certificates. The  
2972 tonnage input for Eligible Biomass Fuel noted on the Biomass Fuel Certificate  
2973 shall equal or be greater than the tonnage of Eligible Biomass Fuel consumed at  
2974 the Generation Unit. For Manufactured Biomass Fuel, the Biomass Fuel  
2975 Certificates shall be for the required tonnage of Eligible Biomass Woody Fuel  
2976 necessary for the production of the delivered volume of Manufactured Biomass  
2977 Fuel. The Biomass Fuel Certificates shall be originated, procured, and  
2978 transacted in accordance with the *Guideline on Eligible Biomass Fuel for*  
2979 *Renewable Generation Units*.

2980  
2981  
2982 15.06: Statement of Qualification Process for RPS Class II Renewable Generation Units

2983 (1) Statement of Qualification Application (SQA). An SQA shall be submitted to  
2984 the Department by the Owner or Operator of the Generation Unit or Aggregation.  
2985 The applicant must use the most current forms and associated instructions provided  
2986 by the Department, and must include all information, documentation, and  
2987 assurances required by such forms and instructions.

2988  
2989 (2) Review Procedures.

2990  
2991 (a) The Department will notify the applicant when the SQA is administratively  
2992 complete or if additional information is required pursuant to 225 CMR 15.06(1).

2993  
2994 (b) The Department may, in its sole discretion, provide an opportunity for  
2995 public comment on any SQA.

2996  
2997 (3) Issuance or Non-Issuance of an SQ.

2998 (a) If the Department finds that all or a portion of the electrical energy output of  
2999 a Generation Unit or of an Aggregation meets the requirements for eligibility as  
3000 RPS Class II Renewable Generation pursuant to 225 CMR 15.05, the  
3001 Department will provide the Owner or Operator of such Generation Unit or  
3002 Aggregation with an SQ.  
3003

3004 (b) The Statement of Qualification shall include any applicable restrictions and  
3005 conditions that the Department deems necessary to ensure compliance by a  
3006 particular Generation Unit or Aggregation with the provisions of 225 CMR  
3007 15.00.  
3008

3009 (c) If the Generation Unit or Aggregation does not meet the requirements for  
3010 eligibility as an RPS Class II Renewable Generation Unit, the Department shall  
3011 provide written notice to the Owner or Operator, including the Department's  
3012 reasons for such finding.  
3013

3014 (4) RPS Effective Date. The RPS Effective Date shall be the earliest date on which  
3015 electrical energy output of an RPS Class II Renewable Generation Unit or Waste  
3016 Energy Generation Unit can result in the creation of RPS Class II GIS Certificates,  
3017 with the following limitations:

3018 (a) In the case of a Generation Unit using Eligible Biomass Fuel, the RPS  
3019 Effective Date shall not be earlier than the date on which the Department  
3020 determines that the Biomass Generation Unit has commenced compliance with  
3021 the low-emission conditions in its SQ;

3022 (b) In the case of a Hydroelectric Energy Generation Unit, the RPS Effective  
3023 Date shall not be earlier than the date on which the Department determined that  
3024 the Generation Unit has commenced compliance with the environmental  
3025 conditions in its SQ; and

3026 (c) In the case of a Waste Energy Generation Unit, the RPS Effective Date shall  
3027 not be earlier than the date on which the Department determines that the Waste  
3028 Energy Generation Unit has commenced compliance with the recycling program  
3029 conditions in its SQ.

3030 In no instance shall the RPS Effective Date occur before January 1, 2009.

3031 (5) Notification Requirements for Change in Eligibility Status. The Owner or  
3032 Operator of an RPS Class II Renewable Generation Unit or Waste Energy  
3033 Generation Unit shall notify the Department of any changes in the technology,  
3034 operation, emissions, fuel sources, energy resources, or other characteristics of the  
3035 Generation Unit that may affect the eligibility of the Generation Unit as an RPS  
3036 Class II Renewable Generation Unit or Waste Energy Generation Unit. The Owner  
3037 or Operator shall submit the notification to the Department no later than five days  
3038 following the end of the month during which such changes were implemented. The  
3039 notice shall state the date the changes were made to the RPS Class II Renewable  
3040 Generation Unit or Waste Energy Generation Unit and describe the changes in  
3041 sufficient detail to enable the Department to determine if a change in eligibility is  
3042 warranted.

3043 (6) Notification Requirements for Change in Ownership, Generation Capacity, or  
3044 Contact Information. The Owner or Operator of an RPS Class II Renewable  
3045 Generation Unit or Waste Energy Generation Unit shall notify the Department of  
3046 any changes in the ownership, operating entity, generation capacity, NEPOOL GIS  
3047 account, independent verification system for the Generation Unit's or Aggregation's  
3048 electrical energy output, or contact information for the Generation Unit or  
3049 Aggregation. The Owner or Operator shall submit the notification to the Department  
3050 no later than five days following the end of the month during which such changes  
3051 were implemented.

3052 (7) Suspension or Revocation of Statement of Qualification. The Department may  
3053 suspend or revoke a Statement of Qualification if the Owner or Operator of an RPS  
3054 Class II Renewable Generation Unit or Waste Energy Generation Unit fails to  
3055 comply with 225 CMR 15.00 or if a Generation Unit does not operate during a  
3056 consecutive 12-month period.

3057  
3058 15.07: Renewable Energy Portfolio Standard – Class II  
3059

3060 (1) RPS Class II Renewable Generation Minimum Standard. The total annual sales  
3061 of each Retail Electricity Product sold to Massachusetts End-use Customers by a  
3062 Retail Electricity Supplier, under contracts executed or extended on or after January  
3063 1, 2009, shall include a minimum percentage of electrical energy sales with RPS  
3064 Class II Renewable Generation Attributes. The RPS Class II Renewable Generation  
3065 Minimum Standard shall be calculated as follows:

3066  
3067 (a) The following table reflects the RPS Class II Renewable Generation  
3068 Minimum Standards in effect from 2009 through 2021:  
3069

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%

3070  
3071 (b) For each Compliance Year after 2021, the Department shall announce the  
3072 RPS Class II Renewable Generation Minimum Standard no later than August 31st

3073 two years prior to the Compliance Year. The RPS Class II Renewable Generation  
3074 Minimum Standard shall be determined by the following formula:

3075  
3076 The RPS Class II Renewable Generation Minimum Standard for each Compliance  
3077 Year (CY) shall be equal to the RPS Class II Renewable Generation Minimum  
3078 Standard for the prior Compliance Year (CY-1), plus the number of RPS Class II  
3079 Renewable Generation Attributes settled for compliance in Compliance Year  
3080 three years prior (CY-3), divided by the total MWh of electrical energy sales by  
3081 Retail Electricity Suppliers to End-use Customers in Compliance Year three years  
3082 prior (CY-3), minus the number of RPS Class II Renewable Generation Attributes  
3083 settled for compliance in Compliance Year four years prior (CY-4) divided by the  
3084 total MWh of electrical energy sales by Retail Electricity Suppliers to End-use  
3085 Customers in Compliance Year four years prior (CY-4). For the purpose of these  
3086 calculations, the total MWh of electrical energy sales by Retail Electricity  
3087 Suppliers to End-use Customers shall be determined in the manner specified in  
3088 225 CMR 15.09(2)(a), and Attributes settled for compliance in a given  
3089 Compliance Year shall be represented by the total of all RPS Class II qualified  
3090 GIS Certificates that are determined by the Department to qualify for RPS Class  
3091 II Renewable Energy compliance in the Compliance Year in which the energy  
3092 that they signify was generated.

3093  
3094 (c) Notwithstanding the calculation in 225 CMR 15.07(1)(b), the RPS Class II  
3095 Renewable Generation Minimum Standard shall not exceed 3.6% of the Total  
3096 Electrical Energy Sales to End-use Customers, as provided in 225 CMR  
3097 15.09(2)(a).

3098  
3099 (2) RPS Class II Waste Energy Minimum Standard. The total annual sales of each  
3100 Retail Electricity Product sold to Massachusetts End-use Customers by a Retail  
3101 Electricity Supplier, under contracts executed or extended on or after January 1,  
3102 2009, shall include a minimum percentage of electrical energy sales with RPS  
3103 Class II Waste Energy Generation Attributes. The RPS Class II Waste Energy  
3104 Minimum Standard shall be equal to 3.5% of electrical energy sales in the  
3105 Compliance Years 2009 through 2020. In Compliance Years 2021 through 2025,  
3106 the RPS Class II Waste Energy Minimum Standard shall be equal to 3.7% of  
3107 electrical energy sales. In 2026 and all subsequent Compliance Years, the RPS Class  
3108 II Waste Energy Minimum Standard shall be equal to 3.5% of electrical energy  
3109 sales. Beginning in 2025 and every five years thereafter, the Department shall  
3110 conduct a review of the RPS Class II Waste Energy Minimum Standard and consult  
3111 with MassDEP on the standard to ensure consistency with the solid waste master  
3112 plan. Following stakeholder comment and input on the review of the RPS Class II  
3113 Waste Energy Minimum Standard, the Department may modify the Minimum  
3114 Standard for the following five years.

3115 15.08: Compliance Procedures for Retail Electricity Suppliers.

3116  
3117 (1) Standard Compliance. Each Retail Electricity Supplier shall be deemed to be in  
3118 compliance with 225 CMR 15.00 if the information provided in the Compliance  
3119 Filing submitted pursuant to 225 CMR 15.09 is true and accurate and demonstrates  
3120 compliance with 225 CMR 15.07. A Retail Electricity Supplier shall demonstrate to  
3121 the satisfaction of the Department that RPS Class II Renewable Generation  
3122 Attributes and RPS Class II Waste Energy Generation Attributes used for  
3123 compliance have not otherwise been, nor will be, sold, retired, claimed, used or  
3124 represented as part of electrical energy output or sales, or used to satisfy obligations  
3125 in jurisdictions other than Massachusetts.

3126  
3127 (2) Banked Compliance. A Retail Electricity Supplier may use RPS Class II  
3128 Renewable Generation Attributes and RPS Class II Waste Energy Generation  
3129 Attributes produced in one Compliance Year for compliance over the course of the  
3130 following two subsequent Compliance Years, subject to the limitations in 225 CMR  
3131 15.08(2) and provided that the Retail Electricity Supplier is in compliance with 225  
3132 CMR 15.00 for all previous Compliance Years. In addition, the Retail Electricity  
3133 Supplier shall demonstrate to the satisfaction of the Department that such Attributes:

3134  
3135 (a) were in excess of the RPS Class II Renewable Generation Attributes and  
3136 RPS Class II Waste Energy Generation Attributes needed for compliance in the  
3137 Compliance Year in which they were generated, and that such excess Attributes  
3138 have not previously been used for compliance with 225 CMR 15.00;

3139  
3140 (b) do not exceed 30% of the RPS Class II Renewable Generation Attributes  
3141 and 30% of the RPS Class II Waste Energy Generation Attributes needed by the  
3142 Retail Electricity Supplier for compliance with the RPS Class II Renewable  
3143 Generation Minimum Standard, and RPS Class II Waste Energy Minimum  
3144 Standard in the year they were generated, subject to 225 CMR 15.09(2)(d) and  
3145 subject to the following limitations:

3146  
3147 1. In Compliance Years 2014 and 2015 no excess RPS Class II Waste  
3148 Energy Generation Attributes shall be available as Banked Compliance;  
3149 and

3150  
3151 2. Commencing with Compliance Year 2016, bankable excess RPS Class  
3152 II Waste Energy Generation Attributes shall not exceed 5% of the RPS  
3153 Class II Waste Energy Generation Attributes needed by the Retail  
3154 Electricity Supplier for compliance with the RPS Class II Waste Energy  
3155 Minimum Standard in the year they were generated.

3156  
3157 (c) were produced during the Compliance Year in which they are claimed as  
3158 excess by the generation of electrical energy sold to End-use Customers in the  
3159 ISO-NE Control Area, by the generation of electrical energy on End-use  
3160 Customers' sides of retail meters in the ISO-NE Control Area, or by the

3161 generation of electrical energy from Off-grid Generation Units in Massachusetts;  
3162 and

3163  
3164 (d) have not otherwise been, nor will be, sold, retired, claimed or represented as  
3165 part of electrical energy output or sales, or used to satisfy obligations in  
3166 jurisdictions other than Massachusetts.

3167  
3168 (3) Alternative Compliance for RPS Class II Renewable Generation Minimum  
3169 Standard. A Retail Electricity Supplier may discharge its obligations under 225  
3170 CMR 15.07(1), in whole or in part, for any Compliance Year by making an ACP to  
3171 the MassCEC. Such funds shall be held in an account separate from other accounts  
3172 of the MassCEC.

3173  
3174 (a) Procedures. A Retail Electricity Supplier shall receive Alternative  
3175 Compliance Credits from the Department, subject to the following:

3176  
3177 1. The quantity of Credits, specified in MWhs, that can be applied to its  
3178 obligations under 225 CMR 15.07(1) shall be determined by calculating the  
3179 ratio of the total of ACPs paid for the Compliance Year to the ACP Rate for  
3180 that Compliance Year.

3181  
3182 2. The ACP Rate for the RPS Class II Renewable Generation Minimum  
3183 Standard shall be \$25 per MWh for Compliance Year 2009. For each  
3184 subsequent Compliance Year, the Department shall publish the ACP Rate by  
3185 January 31 of the Compliance Year. The ACP Rate shall be equal to the  
3186 previous year's ACP Rate adjusted up or down according to the previous  
3187 year's Consumer Price Index. The ACP Rate for the RPS Class II Renewable  
3188 Generation Minimum Standard shall not exceed \$35 per MWh for any given  
3189 Compliance Year.

3190  
3191 3. The Retail Electricity Supplier shall include with its Annual Compliance  
3192 Filing copies of any ACP receipt(s) for ACPs made to the MassCEC during  
3193 the Compliance Year.

3194  
3195 (b) Use of Funds. The Department shall oversee the use of ACP funds by the  
3196 MassCEC.

3197  
3198 (4) Alternative Compliance for RPS Class II Waste Energy Minimum Standard. A  
3199 Retail Electricity Supplier may discharge its obligations under 225 CMR 15.07(2),  
3200 in whole or in part, for any Compliance Year by making an ACP to the MassCEC.  
3201 Such funds shall be held in an account separate from other accounts of the  
3202 MassCEC.

3203  
3204 (a) Procedures. A Retail Electricity Supplier shall receive Alternative  
3205 Compliance Credits from the Department, subject to the following:

3206 1. The quantity of Alternative Compliance Credits, specified in MWhs, that  
3207 can be applied to its obligations under 225 CMR 15.07(2) shall be  
3208 determined by calculating the ratio of the total of ACPs paid for the  
3209 Compliance Year to the ACP Rate for that Compliance Year.

3210  
3211 2. The ACP Rate for the RPS Class II Waste Energy Minimum Standard  
3212 shall be \$10 per MWh for Compliance Year 2009. For each subsequent  
3213 Compliance Year, the Department shall publish the ACP Rate by  
3214 January 31st of the Compliance Year. The ACP Rate shall be equal to the  
3215 previous year's ACP Rate adjusted up or down according to the previous  
3216 year's Consumer Price Index. In Compliance Year 2021 through 2025, the  
3217 ACP Rate for the RPS Class II Waste Energy Minimum Standard shall be  
3218 equal to the ACP Rate for the RPS Class II Renewable Energy Minimum  
3219 Standard set pursuant to 225 CMR 15.08(3)(a)2, but shall be \$11.50 per  
3220 MWh beginning in 2026.

3221  
3222 3. The Retail Electricity Supplier shall include with its Annual Compliance  
3223 Filing copies of any ACP receipt(s) for ACPs made to the MassCEC during  
3224 the Compliance Year.

3225  
3226 (b) Use of Funds. The Department shall oversee the use of ACP funds by the  
3227 MassCEC.

3228  
3229 (5) Beginning in 2025 and every five years thereafter, the Department shall conduct  
3230 a review of the ACP Rate and consult with DEP on the ACP Rate for the RPS Class  
3231 II Waste Energy Minimum Standard to ensure consistency with the solid waste  
3232 master plan. Following stakeholder comment and input on the review of the ACP  
3233 Rate, the Department may modify the rate for the following five years.

3234  
3235 15.09: Annual Compliance Filings for Retail Electricity Suppliers

3236  
3237 (1) Date of Annual Compliance Filing. For each Compliance Year, the Retail  
3238 Electricity Supplier annually shall file an annual Compliance Filing with the  
3239 Department no later than the first day of July, or the first Business Day thereafter, of  
3240 the subsequent Compliance Year.

3241  
3242 (2) Contents of Annual Compliance Filing. For each Retail Electricity Product, the  
3243 Filing shall document compliance with the provisions of 225 CMR 15.07 and 15.08  
3244 to the satisfaction of the Department and shall include, but not be limited to, the  
3245 following:

3246  
3247 (a) Total Electrical Energy Sales to End-use Customers. Documentation of the  
3248 total MWhs of electrical energy allocated by the Retail Electricity Supplier to  
3249 End-use Customers in the Compliance Year. Such allocation is defined as the  
3250 total quantity of the Supplier's Certificates Obligation that the Retail Electricity  
3251 Supplier correctly allocated or should have allocated to all of the Retail  
3252 Electricity Supplier's Massachusetts retail subaccounts in the NEPOOL GIS, in



3253 compliance with all relevant provisions of Part 4 of the NEPOOL GIS Operating  
3254 Rules, or any successor rules, as specified in the Department's Guideline on the  
3255 Determination of Sales to End-use Customer.  
3256

3257 (b) Electrical Energy Sales to End-use Customers by Product. Documentation  
3258 of the total MWhs of each Retail Electricity Product allocated to End-use  
3259 Customers in the Compliance Year, verified by an independent third party  
3260 satisfactory to the Department, consistent with the Guidelines. Such allocation is  
3261 defined as the quantity of the Supplier's Certificates Obligation that the Retail  
3262 Electricity Supplier correctly allocated or should have allocated to each of the  
3263 Retail Electricity Supplier's Massachusetts retail subaccounts at the NEPOOL  
3264 GIS, in compliance with all relevant provisions of Part 4 of the NEPOOL GIS  
3265 Operating Rules, or any successor rules, as specified in the Department's  
3266 Guideline on the Determination of Sales to End-Use Customer. The Department  
3267 shall keep product information confidential to the extent permitted by law.  
3268

3269 (c) Attributes Allocated from the Compliance Year. Documentation of the total  
3270 MWhs of each Retail Electricity Product allocated to End-use Customers that  
3271 were derived from both RPS Class II Renewable Generation and RPS Class II  
3272 Waste Energy generation during the Compliance Year, and which may include  
3273 electrical energy generated on End-use Customers' sides of retail meters in the  
3274 ISO-NE Control Area or by Off-grid Generation Units in Massachusetts in the  
3275 Compliance Year, shall be as follows:  
3276

3277 1. For electrical energy transactions included in the ISO-NE Settlement  
3278 Market System, the Compliance Filings shall include documentation from  
3279 the NEPOOL GIS administrator of the Retail Electricity Supplier's  
3280 ownership of GIS Certificates representing both RPS Class II Renewable  
3281 Generation and RPS Class II Waste Energy generation during the  
3282 Compliance Year.  
3283

3284 2. For electrical energy transactions not included in the ISO-NE Settlement  
3285 Market System, but for which the Retail Electricity Supplier has secured GIS  
3286 Certificates from the NEPOOL GIS, the Compliance Filings shall include  
3287 documentation from the NEPOOL GIS of the Retail Electricity Supplier's  
3288 ownership of GIS Certificates representing both RPS Class II Renewable  
3289 Generation and RPS Class II Waste Energy generation during the  
3290 Compliance Year.  
3291

3292 (d) Attributes Allocated from Banked Compliance. Allocation by Retail  
3293 Electricity Product of any quantity of Attributes banked from one or both of the  
3294 two previous years pursuant to 225 CMR 15.08(2) that are used to demonstrate  
3295 compliance in the current Compliance Year, except that banked RPS Class II  
3296 Waste Energy Generation Attributes cannot be used for compliance with the  
3297 RPS Class II Renewable Generation Minimum Standard and banked RPS Class  
3298 II Renewable Generation Attributes cannot be used for compliance with the RPS  
3299 Class II Waste Energy Generation Minimum Standard.

3300 (e) Alternative Compliance Credits. Allocation by Retail Electricity Product of  
3301 any Alternative Compliance Credits claimed pursuant to 225 CMR 15.08(3),  
3302 along with a copy of any ACP receipt(s).  
3303

3304 (f) Attributes Banked for Future Compliance. Identification of any quantity of  
3305 RPS Class II Renewable Generation Attributes and of any RPS Class II Waste  
3306 Energy Generation Attributes that the Retail Electricity Supplier anticipates  
3307 claiming for purposes of Banked Compliance in subsequent years under the  
3308 Banked Compliance provisions of 225 CMR 15.08(2), except that RPS Class II  
3309 Waste Energy Generation Attributes that are in excess of the quantity of such  
3310 Attributes needed for the RPS Class II Waste Energy Minimum in Compliance  
3311 Years 2014 and 2015 cannot be used for Banked Compliance.  
3312

3313 (g) Exempt Contracts under the RPS Class II Renewable Generation Minimum  
3314 Standard and the RPS Class II Waste Energy Minimum Standard. Identification  
3315 of any contract for a specific term of years that was executed before January 1,  
3316 2009, and its terms including but not limited to, the execution and expiration  
3317 dates of the contract and the annual volume of electrical energy supplied.  
3318

3319 15.10: Reporting Requirements

3320  
3321 (1) Certification. Any person required by 225 CMR 15.00 to submit  
3322 documentation to the Department shall provide:

3323  
3324 (a) the person's name, title and business address;

3325  
3326 (b) the person's authority to certify and submit the documentation to the  
3327 Department; and  
3328

3329 (c) the following certification: "I hereby certify, under the pains and penalties  
3330 of perjury, that I have personally examined and am familiar with the information  
3331 submitted herein and based upon my inquiry of those individuals immediately  
3332 responsible for obtaining the information, I believe that the information is true,  
3333 accurate, and complete. I am aware that there are significant penalties, both civil  
3334 and criminal, for submitting false information, including possible fines and  
3335 imprisonment."  
3336

3337 (2) Annual Renewable Energy Resource Report. The Department shall produce an  
3338 annual report that summarizes information submitted to the Department by Retail  
3339 Electricity Suppliers in the Annual Compliance Filing submitted to the Department  
3340 pursuant to 225 CMR 15.09(2). Such report shall include non-confidential data that  
3341 provides the following:  
3342

3343 (a) the extent to which the Retail Electric Suppliers complied with the RPS Class  
3344 I Minimum Standard, the Solar Carve-out Minimum Standard, and Solar Carve-  
3345 out II Minimum Standard, both separately and combined; and

3346 (b) the extent to which the Retail Electric Suppliers used Standard Compliance,  
3347 Banked Compliance, and Alternative Compliance in meeting the Minimum  
3348 Standards.  
3349

3350 15.11: Inspection

3351  
3352 (1) Document Inspection. The Department may audit the accuracy of all  
3353 information submitted pursuant to 225 CMR 15.00. The Department may request  
3354 and obtain from any Owner or Operator of an RPS Class II Renewable Generation  
3355 Unit, Waste Energy Generation Unit, supplier of Eligible Biomass Fuel, and any  
3356 Retail Electricity Supplier information that the Department determines necessary to  
3357 monitor compliance with and enforcement of 225 CMR 15.00.  
3358

3359 (2) Audit and Site Inspection. Upon reasonable notice to a Retail Electricity  
3360 Supplier, supplier of Eligible Biomass Fuel, Waste Energy Generation Unit Owner  
3361 or Operator, or RPS Class II Renewable Generation Unit Owner or Operator, the  
3362 Department may conduct audits, which may include inspection and copying of  
3363 records and/or site visits to an RPS Class II Renewable Generation Unit, Waste  
3364 Energy Generation Unit, supplier of Eligible Biomass fuel, or a Retail Electricity  
3365 Supplier's facilities, including, but not limited to, all files and documents that the  
3366 Department determines are related to compliance with 225 CMR 15.00.  
3367

3368 15.12: Non-compliance

3369 Any Retail Electricity Supplier or Owner or Operator of an RPS Class II  
3370 Renewable Generation Unit that fails to comply with the requirements of 225 CMR  
3371 15.00 shall be subject to the following provisions:  
3372

3373  
3374 (1) Notice of Non-compliance. A failure to comply with the requirements of 225  
3375 CMR 15.00 shall be determined by the Department. A written Notice of Non-  
3376 compliance shall be prepared and delivered by the Department to any Retail  
3377 Electricity Supplier or Owner or Operator of an RPS Class II Renewable Generation  
3378 Unit that fails to comply with the requirements of 225 CMR 15.00. The Notice of  
3379 Non-compliance shall describe the Requirement(s) with which the Retail Electricity  
3380 Supplier, Owner, or Operator failed to comply and the time period of such non-  
3381 compliance.  
3382

3383 (2) Publication of Notice of Non-compliance. A Notice of Non-compliance may  
3384 be published on the Department's website and in any other media deemed  
3385 appropriate by the Department. Such publication may remain posted until the Retail  
3386 Electricity Supplier or Owner or Operator returns to compliance as determined by  
3387 the Department.  
3388

3389 (3) Planning Requirement. A Retail Electricity Supplier that fails to meet the  
3390 requirements of 225 CMR 15.07 during a Compliance Year shall submit a plan for  
3391 achieving compliance for the subsequent three years. The plan shall be filed with the

3392 Department no later than the first day of September of the Compliance Year  
3393 subsequent to the Compliance Year for which the Retail Electricity Supplier was out  
3394 of compliance or such date as the Department may specify.

3395  
3396 (4) Suspension or Revocation of License. The Department shall refer its findings  
3397 of non-compliance to the Massachusetts Department of Public Utilities. A Retail  
3398 Electricity Supplier that fails to comply with 225 CMR 15.00 may be subject to the  
3399 Massachusetts Department of Public Utilities Licensure Action under 220 CMR  
3400 11.07(4)(c)1.

3401  
3402 (5) Collection of Financial Security. In the event that a Retail Electricity Supplier  
3403 fails to discharge its annual obligations by September 1<sup>st</sup> under 225 CMR 15.07, by  
3404 the means described in 225 CMR 15.08(1) through (4), the Department will notify  
3405 the Retail Electricity Supplier that it must provide the Department with a payment  
3406 using the financial security of which it provided pursuant to 225 CMR 14.08(4),  
3407 unless a Retail Electricity Supplier has an approved alternative payment plan to  
3408 discharge its annual obligations in full that has been approved by the Department  
3409 prior to September 1<sup>st</sup>. The payment shall, within 30-days of notification by the  
3410 Department, be deposited into the Alternative Compliance Payment fund established  
3411 in 225 CMR 14.08(3) pursuant to the provisions of 225 CMR 14.12(5).

3412  
3413 (6) Partial Compliance. In the event that the collection of financial security under  
3414 225 CMR 14.12(5) results in the collection of an amount of Alternative Compliance  
3415 Payments that is insufficient to discharge a Retail Electricity Supplier's full annual  
3416 obligations under 225 CMR 15.07, the Retail Electricity Supplier will remain in a  
3417 state of non-compliance, and the Department will take the necessary actions to  
3418 document and enforce this non-compliance, pursuant to 225 CMR 15.12(1) through  
3419 (4).

3420  
3421 (7) The Department reserves all rights to take any and all appropriate actions to  
3422 ensure the collection of all Alternative Compliance Payments owed to ensure annual  
3423 compliance obligations are fully discharged by a Retail Electricity Supplier,  
3424 including, but not limited to, filing a petition with the Department of Public Utilities  
3425 requesting an investigation into a supplier that is deemed to be in non-compliance by  
3426 the Department.

3427  
3428 15.13: Severability

3429  
3430 If any provision of 225 CMR 15.00 is declared invalid, such invalidity shall not  
3431 affect other provisions or applications that can be given effect without the invalid  
3432 provision or application.

3433  
3434 REGULATORY AUTHORITY

3435  
3436 225 CMR 15.00: M.G.L. c. 25A, § 11F.