

By Mr. Pedone of Worcester, petition of Vincent A. Pedone relative to clarifying the minimum threshold for the purchase of existing renewable power for the purposes of the renewable portfolio standard regulation. Municipalities and Regional Government.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT CLARIFYING A MINIMUM THRESHOLD FOR THE PURCHASE OF EXISTING RENEWABLE POWER FOR THE PURPOSES OF THE RENEWABLE PORTFOLIO STANDARD REGULATION.

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

SECTION 1. Section 3 of Chapter 25A of the General Laws is hereby amended by inserting after the definition of "energy management services", the following new definitions:—

"Net Revenue", all revenue received from the sale of renewable generation attributes, by an existing Massachusetts waste-to-energy facility minus:—

(a) all out of pocket costs and expenses that the facility incurs in selling its renewable generation attributes, including reasonable broker's fees and reasonable system and other administrative charges applicable to such revenue, and legal fees, court costs and the costs of administrative and other tribunals that the facility incurs to establish or defend its title to its renewable generation attributes as against any entity or authority, and;

(b) any damages or refund of revenue, or both, from the sale of prior renewable generation attributes that the facility may be ordered to pay by a court or administrative agency because of a determination that a facility did not have title to such renewable generation attributes, or that a facility agreed to pay in settlement of a claim that it did not have title to such renewable generation attributes.

"NE-GIS Certificate," a document produced by the NE-GIS that identifies the relevant Generation Attributes of each MWh accounted for in the NE-GIS.

23 “NE-GIS,” the New England Generation Information System,  
24 which includes a generation information database and certificate  
25 system, operated by the New England Power Pool, its designee or  
26 successor entity, that accounts for Generation Attributes of electrical  
27 energy consumed within New England.

28 “Renewable Generation Attribute,” the generation attribute of the  
29 electrical energy output of an existing waste-to-energy facility as  
30 designated by a NE-GIS certificate.

31 “Long-term contract,” the waste disposal contract of at least four-  
32 year term between a Massachusetts community and a waste- to-  
33 energy facility.

34 “Competitive Supplier,” an entity licensed by the Department of  
35 Telecommunications and Energy to sell electricity and related serv-  
36 ices to Retail Customers, with the following exceptions:—

37 (a) a Distribution Company providing Standard Offer Generation  
38 Service and Default Generation Service to its Distribution Cus-  
39 tomers; and

40 (b) a municipal light department that is acting as a Distribution  
41 Company.

1 SECTION 2. Section 11F of Chapter 25A of the General Laws, is  
2 hereby amended by inserting after the second sentence of sub-  
3 section (a) the following:—

4 By March 1, 2007, every retail supplier shall annually provide to  
5 end-use customers in the Commonwealth , renewable generation  
6 attributes from existing waste-to-energy facilities in the amount  
7 equal to 3.3 percent of kilowatt hour sales and shall provide that  
8 amount of existing waste-to-energy renewable generation attributes  
9 each year thereafter. Every retail supplier shall also provide a min-  
10 imum percentage of kilowatt-hours sales to end-use customers in the  
11 Commonwealth from new renewable energy generating sources,  
12 according to the following schedule:— (i) an additional 1 per cent of  
13 sales by December 31, 2003, or one calendar year from the final day  
14 of the first month in which the average cost of any renewable tech-  
15 nology is found to be within 10 per cent of the overall average spot-  
16 market price per kilowatt-hour for electricity in the Commonwealth ,  
17 whichever is sooner; (ii) an additional one-half of 1 per cent of sales  
18 each year thereafter until December 31, 2009; and (iii) an additional



19 1 per cent of sales every year thereafter until a date determined by  
20 the division of energy resources.

1 SECTION 3. Section 11F of Chapter 25A of the General Laws, is  
2 hereby further amended by inserting after sub-section (b) following  
3 new sub-sections:—

4 (c) For the purposes of this section, existing waste-to-energy  
5 facilities, which are a component of conventional municipal solid  
6 waste plant technology in commercial use:—

7 shall be considered to own the renewable generation attributes  
8 generated by the facility unless otherwise specifically transferred  
9 through a contract, and

10 shall share the net revenue from the sale of their renewable gener-  
11 ation attributes sold in the Commonwealth to satisfy Section 11F of  
12 Chapter 25A, in the following manner:

13 Fifty percent of each waste-to-energy facility's net revenue as  
14 defined in Section 3 of Chapter 25A of the General Laws shall be  
15 allocated to the towns under long term contract for waste disposal  
16 with said facility.

17 Each town under long term contract shall receive a pro-rata por-  
18 tion of the proceeds based upon the municipality's annual minimum  
19 tonnage of solid waste and the total annual minimum tonnage of all  
20 communities under long term contract with the waste-to-energy  
21 facility.

22 Communities that serve as the host community for the waste-to-  
23 energy facility and communities that serve as the host community  
24 for the waste-to-energy facility's primary ash disposal will receive a  
25 pro-rata share based upon twice the annual minimum tonnage in  
26 their long term contract.

27 (d) The division of energy resources shall promulgate amend-  
28 ments to 225 CMR 14.00 Renewable Energy Portfolio Standard, by  
29 March 1, 2007 to include kilowatt-hour sales from existing waste-to-  
30 energy facilities in the Renewable Energy Portfolio Standard and to  
31 further implement the provisions of this Act. The division shall  
32 determine the annual amount and value of the sale of generation  
33 attributes by each waste-to-energy facility sold to satisfy Section 11F  
34 of Chapter 25A and develop a report that will be distributed to each  
35 participating community.

36 (e) Competitive Suppliers or Default Service Providers that have  
37 contracts for retail electric sales that were executed as of 1/1/2005  
38 are exempt from the requirement of providing renewable generation  
39 attributes from existing waste-to-energy facilities until the earlier of  
40 (a) expiration of each specific contract or (b) or three years after the  
41 original effective date of the contract.

42 Competitive Suppliers or Default Service Providers that have con-  
43 tracts for retail electric sales that were executed after 1/1/2005 must  
44 comply with all of the provisions of Section 11F of Chapter 25A.