

HOUSE No. 4954

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, July 7, 2004.

The committee on Energy, to whom was recommitted the Bill clarifying a minimum threshold for the purchase of existing renewable power for the purpose of the renewable portfolio standard regulation (House, No. 4293, amended), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 4954).

For the committee,

JOHN J. BINIENDA.

The Commonwealth of Massachusetts

In the Year Two Thousand and Four.

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:

1 SECTION 1. Section 3 of Chapter 25A of the General Laws is
2 hereby amended by inserting after the definition of “energy man-
3 agement services”, the following new definitions:—

4 “Net Revenue”, all revenue received from the sale of renewable
5 generation attributes, by an existing Massachusetts waste-to-
6 energy facility minus: (a) all out of pocket costs and expenses that
7 the facility incurs in selling its renewable generation attributes,
8 including reasonable broker’s fees and reasonable system and
9 other administrative charges applicable to such revenue, and legal
10 fees, court costs and the costs of administrative and other tribunals
11 that the facility incurs to establish or defend its title to its renew-
12 able generation attributes as against any entity or authority, and;
13 (b) any damages or refund of revenue, or both, from the sale of
14 prior renewable generation attributes that the facility may be
15 ordered to pay by a court or administrative agency because of a
16 determination that a facility did not have title to such renewable
17 generation attributes, or that a facility agreed to pay in settlement
18 of a claim that it did not have title to such renewable generation
19 attributes.

20 “NE-GIS Certificate,” a document produced by the NE-GIS
21 that identifies the relevant Generation Attributes of each MWh
22 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 elec-
27 trical energy consumed within New England.

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

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

1 SECTION 2. Section 11F of Chapter 25A of the General Laws,
2 is hereby amended by striking the second and third sentences of
3 subsection (a) and inserting the following:—

4 By January 1, 2005, the division shall determine the actual per-
5 centage of kilowatt-hours sales to end-use customers in the com-
6 monwealth, which is derived from existing renewable energy
7 generating resources. By January 1, 2005, the division shall also
8 determine the actual percentage of kilowatt hour sales to end-use
9 customers in the commonwealth, which is derived from existing
10 waste to energy facilities. By March 1, 2005, every retail supplier
11 shall provide at least the amount of kilowatt-hour sales derived
12 from existing waste to energy facilities, as determined by the divi-
13 sion, to end-use customers in the commonwealth from existing
14 waste-to-energy facilities. Every retail supplier shall also provide
15 a minimum percentage of kilowatt-hours sales to end-use cus-
16 tomers in the commonwealth from new renewable energy gener-
17 ating sources, according to the following schedule: (i) an
18 additional 1 per cent of sales by December 31, 2004, or one cal-
19 endar year from the final day of the first month in which the
20 average cost of any renewable technology is found to be within 10
21 per cent of the overall average spot-market price per kilowatt-hour
22 for electricity in the commonwealth, whichever is sooner; (ii) an
23 additional one-half of 1 per cent of sales each year thereafter until
24 December 31, 2009; and (iii) an additional 1 per cent of sales
25 every year thereafter until a date determined by the division of
26 energy resources.

27 Section 11F of Chapter 25A of the General Laws, is further
28 amended by inserting the following:—

29 (c) For the purposes of this section, existing waste-to-energy
30 facilities, which are a component of conventional municipal solid
31 waste plant technology in commercial use, shall share the net rev-
32 enue from the sale of their renewable generation attributes, in the
33 following manner:

34 (i) Fifty per cent (50%) of the net revenue shall be divided over
35 the tons received at each waste-to-energy facility received from
36 the towns that are under long-term contract to that facility.

37 (ii) Each town under contract to a facility paying a tipping fee
38 shall receive a pro rata portion of the net revenue determined in
39 clause (c)(i) on the municipality's annual minimum tonnage.

40 (d) The division of energy resources shall promulgate rules and
41 regulations subject to this section by March 1, 2004. The division
42 shall determine the annual amount and value of the sale of genera-
43 tion attributes by each waste-to-energy facility and develops a
44 report which will be distributed to each participating community.