



Massachusetts Department of Energy Resources

Creating A Greener Energy Future For the Commonwealth

2008 Green Communities Act

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Commissioner

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The Path Forward from the Beginning

- February 2007 Speaker's Bill
- Summer 2007 Coalitions Work
- November 2007 House 100% in favor
- January 2008 Senate 100% in favor
- Spring 2008 Conference Committee
- June 2008 House and Senate 100% in favor
- July 2008 Green Communities Act Signed

And Now it Really Begins.....

.....An Opportunity to Make a Difference



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Overview of Green Communities Act

- 1) Creates unconstrained market for energy efficiency to compete with supply – utilities to invest in all cost-effective energy efficiency
- 2) Partners state with towns/municipalities to implement energy efficiency and renewables
- 3) Expands renewable energy goals through increase in RPS minimum standard and additional RPS classes
- 4) Enhances market opportunities for renewables through municipal ownership, net metering, and utility PV ownership

And much more including RGGI authorization, MRET changes, State facilities, Ratepayer Advocacy in AGs office, DPU steam system oversight, support hybrids, form economic target areas



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Efficiency

- Procure all demand resources that are less expensive than supply funded by SBC, FCM, RGGI, NOx, other
- Forming Energy Efficiency Advisory Counsel
 - 11 members; specified composition
 - 5 year term
- Clear timetable for 3 year plans
 - Submit to Counsel by April 30 and to DPU by Oct 31
 - 90 days for DPU decision
- Adopts IECC for building codes w/ automatic updating w/ inspector training and certification
- Performance commissioning for commercial new buildings
- Home energy audit information provided to buyers



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Green Communities

- Provide technical and financial assistance to communities for efficiency and renewables
- Criteria for a Green Community
 - Provide as-of-right siting for renewables
 - Expedited permitting
 - Reduce energy consumption by 20% w/ in 5 years from established baseline
 - Purchase only fuel efficient suitable vehicles
 - All construction achieves minimum lifecycle cost via efficiency, water conservation and renewables
- Funded up to \$10 million/yr from RGGI and NOx, SBC, ACP and MRET
- Muni Light Plant opt-in provision to MRET



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Renewables

- Extends and accelerates RPS Class I
 - 1% increase per year after 2009
 - 15% by 2020
- Determine feasibility of import standards including committing resources to capacity market by 11/1/08
- Create new RPS Class II (operating before 12/31/97) and Alternative Energy Portfolio Standard (CCS required, CHP, flywheel, paper derived fuel) – targets to be set by 1/1/09
- Long-term contract pilot (10 to 15 years); capped at 3% of utility load
- Creates utility owned PV opportunity 25 MW by 2009, 50 MW by 2010
- DOER to establish minimum percentage “set-aside” for on-site renewable energy generation (2 MW units and smaller)



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New Net Metering Provisions

- Capped @ 1% of utility load
- Expands previous 60 kW limit for net metering with tiered credits as follows:
 - Class I: 60 kW or less (all technologies)
 - Class II: >60 kW – 1 MW (solar, wind, agricultural business)
 - Class III: >1 MW – 2 MW (solar, wind, agricultural business)
- Net excess is carried over month-to-month indefinitely
- Neighborhood net metering
 - Class I, II, or III facility that serves the energy needs of a group of 10 or more residential customers in a single neighborhood and distribution company



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Underway

- Create regulatory proceeding and filing calendars
 - 11/1/08 Imports
 - 1/1/09 RPS II and AEPS
 - 4/1/09 first 3yr efficiency plan to Counsel and “pay and save” pilot, smart grid pilot
 - 7/1/09 C&D
 - 10/31/09 first 3yr efficiency plan to DPU
 - 12/31/09 Green Building and energy efficiency cost effectiveness
 - 1/2/10 Siting and Hybrid and alt fuel vehicle plan
- Coordinate closely with DPU
- Recruit candidates for boards and commissions
- Establish process for 2009 efficiency plans



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Outcomes

A new greener world order:

- Much more energy efficient economy
 - Businesses, Institutions, Communities, Homes
 - No longer optimizing a fixed efficiency spend
 - Now spending whatever makes economic sense
- Significantly increased renewables
 - Building off success
 - Adding important elements