



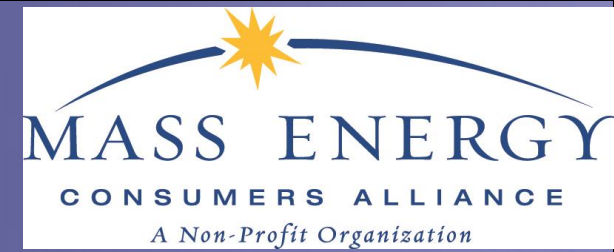
Massachusetts Wind Working Group

March 5, 2014

**We bought the first New England REC.
We entered into the first long-term contract. I think.**

Larry Chretien
Mass Energy Consumers Alliance
larry@massenergy.org

Meet Mass Energy

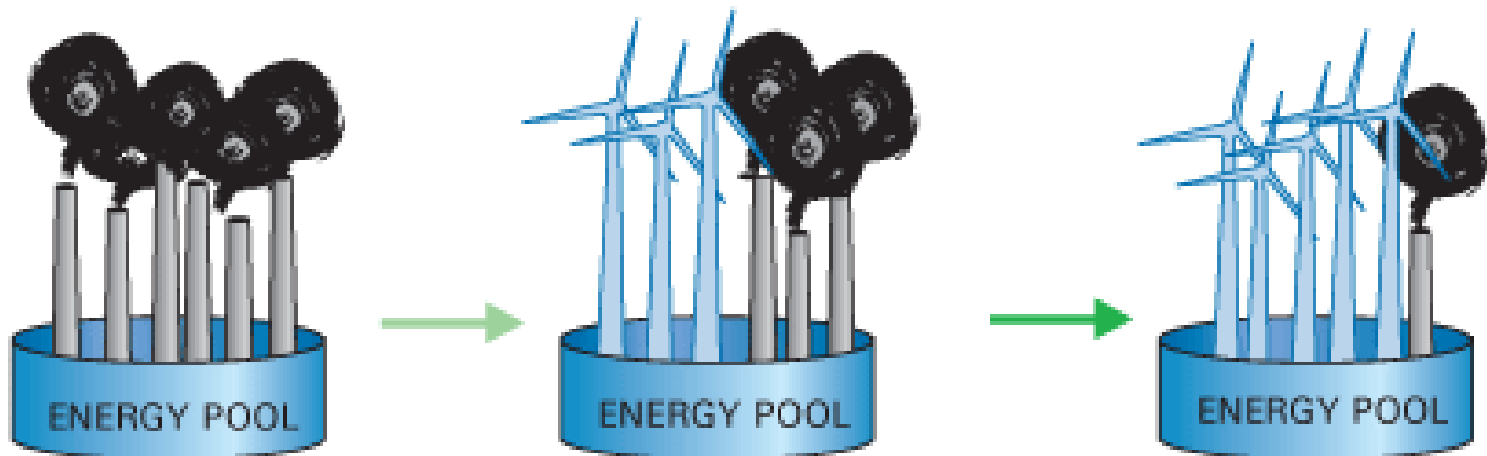


- ☀️ Nonprofit founded 1982
- ☀️ Pro-consumer
pro-environment
- ☀️ **Green power**, discount
heating oil, and energy
efficiency



Green power 3-pronged approach

- ✦ Advocacy
- ✦ Market-Based Program
 - ✦ Buying RECs wholesale, selling retail
- ✦ Education





Advocacy

★ April 29, 2005 [Restructuring Roundtable](#) on value of long-term contracts for RPS

- Tom Robinson - National Grid: “Long term contracting by Distribution Companies is a poor idea”
- David O’Connor – DOER: “Over time, market forces should bring supply and demand into balance”
- **Larry Chretien: called for expansion of long-term contracting by distribution companies**



Business Model

- ✦ Buy RECs wholesale, bundle them with utility-provided Basic Service electricity, and sell retail to voluntary consumers who want to change the grid.
- ✦ Emphasis on Mass. Class I
 - If not, Class I – no additionality
 - RPS compliance market is our backstop
 - Pay project finance needs & hopefully not more
 - Offer contracts of up to 12 years



Role of Utilities

- ★ National Grid has “GreenUp” and WMECO will have “WMECO Green Options”

- ★ In both cases, utilities provide Basic Service (electrons) and REC suppliers provide RECs

- ★ NSTAR

- ★ Currently has NSTAR Green, but likely won't for long

- ★ Should have program for REC suppliers within a year



Mass Energy Products

Product	Price Above Basic Service	Class I RECs	Low-Impact Hydro RECs
New England Green Start	2.4 cents, tax-deductible	25%	75%
New England Wind	3.8 cents, tax-deductible	100%	0

- ✴ With *New England GreenStart*, you get 34% Mass. RPS RECs in 2014
- ✴ With *New England Wind*, you get 109% Mass. RPS RECs in 2014
 - 100 years ahead of Mass. state law

Why Buy RECs/Green Power?

☀ Spending should translate into new, additional projects that displace fossil fuels & not subsidize projects that would have happened without your money

☀ It matters the type and location of RECs you buy!



*Blade-signing in
Gloucester, MA*



Additionality is Key Point

- ★ Mass. RPS Class I RECs (i.e. “new”, post 12/31/97) create additionality by displacing fossil fuels
 - ★ New RECs from outside New England may or may not create additionality
 - ★ “Existing” RECs (i.e. before 1/1/98) do not create additionality
- ★ Mass Energy’s green power consumer aggregation is a voluntary extension of the Mass. Renewable Portfolio Standard



Gillenwater on RECs

★ 2013 Ph.D. dissertation reviewed US voluntary market and found it was “impotent due to small magnitude of REC price signal and absence of long-term contracts”

★ <http://dataspace.princeton.edu/jspui/handle/88435/dsp011r66j1208>.

★ <http://www.sciencedirect.com/science/article/pii/S0960148113005338>.

★ **Gillenwater was NOT talking about Mass Energy**

Mass Energy's way

- ★ Mass Energy signs long-term contracts with community-wind projects
- ★ More customers = more projects



Blade signing in Gloucester

Long-term Contracts



“A long-term contract with Mass Energy was critical to the project's success. Without it, the project would not have been able to move forward at all.”

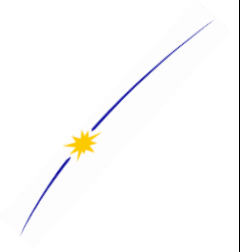
*-Kially Ruiz, developer,
Ipswich Wind
Independence LLC*



Mass Energy's RECs

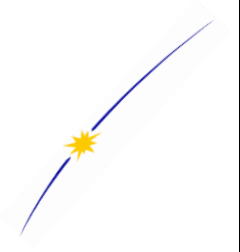
wind unless otherwise noted

Project	Megawatts	Annual Production
Gloucester	4	9000
Plymouth	1/3 of 8 MW	7000
Ipswich	2	4320
Princeton	3	4000
Scituate	1.5	3655
Rutland - Cow Power	0.5	3400
Portsmouth, RI	1.5	3300
Coventry, RI	1.5 – 2	3200
Solar – over 400 sites	1.4	1620
Hull 1	0.66	1200
Lynn	.6	1000
Berkshire East	.9	825
Holy Name, Worcester	0.60	700



Hull Wind 1

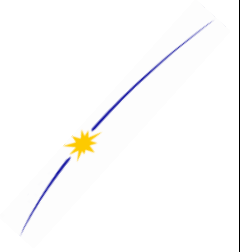




Hull Wind 2



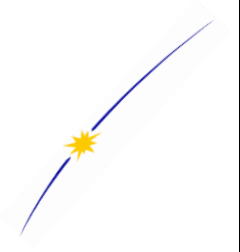
The fish that got away.



Princeton

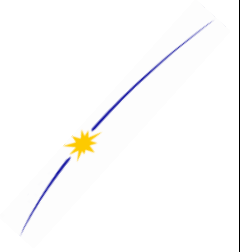


Photo by Sam Feinsilver



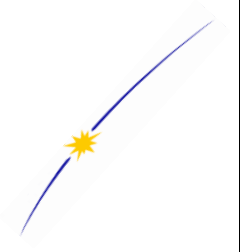
Gloucester





Scituate



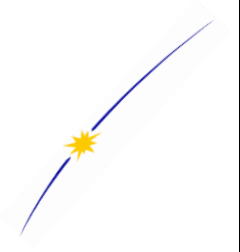


Ipswich 2



Mt. St. Mary's Abbey - Wrentham





Lynn



Education



Turbine Tours



Hull 1 w/ Mass Audubon, Berkshire East Ski Area, Holy Name in Worcester, and Medford





Final Thoughts

- ✦ Voluntary market tiny compared to RPS
 - ✦ Big opportunity for growth
 - Good case for public support
- ✦ Expand RPS with long-term contracts