

## **Boston Community Choice Energy Aggregation and State Clean Energy Laws**

**Community Choice Energy Aggregation (CCE) programs are additive to the Commonwealth's existing clean energy laws, the Renewable Portfolio Standard (RPS) and the Clean Energy Standards (CES). CCE programs do not conflict with these existing state requirements. This policy brief provides a comparison of Boston CCE, the Massachusetts RPS, and the Massachusetts CES.**

### **What is the Massachusetts Renewable Portfolio Standard (RPS)?**

In 2003, Massachusetts began requiring utilities and competitive suppliers to supply a small share of their electric sales from "Class I" renewable sources like wind, solar, small-scale hydroelectric dams, and the Deer Island "biodigesters" that turn human waste into energy. From sourcing just 1 percent of electric sales from these sources in 2003, this requirement reached 12 percent in 2017, and will continue to grow 1 percentage point every year (shown in blue in Figure 1). Under Massachusetts law, Class I renewable energy must be generated within New England, New York, Quebec, New Brunswick, Nova Scotia, or Prince Edward Island in Canada.

### **What is the Massachusetts Clean Energy Standard (CES)?**

In addition, in 2018, Massachusetts utilities and competitive suppliers will begin supplying an additional share of electric sales (over and above the 2003 Renewable Portfolio Standard) from "clean energy" sources to customers. Clean energy includes (1) Class I renewables and (2) Canadian large-scale hydroelectricity if it is imported over brand new transmission lines (shown in orange and yellow in Figure 1). From 2018 to 2022, the Massachusetts Department of Environmental Protection expects the CES to be met with this new clean energy standard using only Class 1 renewables, with the only real impact on electric generation being a small increase from Massachusetts power plants that burn waste wood and a small decrease in natural-gas fired generators elsewhere in New England. Starting in 2023, new transmission lines are expected to come into operation, bringing enough electricity from large-scale hydro dams in

Canada to comply with the increasing CES requirements (see Figure 1).

### **What is Boston Community Choice Energy Aggregation (Boston CCE)?**

Boston's CCE authorization calls for a "higher level of renewable energy sourcing than required by state law" using "Class I renewables" (shown in grey in Figure 1). To acquire this additional renewable energy, CCE programs purchase renewable energy certificates or "RECs" giving them the right to take credit for this renewable electricity generation. One REC is created for each megawatt-hour of Class 1 renewable electricity generated. These RECs can either be purchased and used to comply with the Massachusetts RPS, or they can be purchased by CCE programs and "retired." If a CCE program purchases and retires a REC, that unit of renewable energy is not available for compliance with the RPS or CES. As a result, any renewable energy purchased by Boston's CCE will be over and above what is already required by state law.

### **What does Boston's CCE require in terms of renewable energy purchases?**

Boston's CCE requires additional renewable energy purchases above what is needed to comply with the Massachusetts RPS. In 2025, for example, Eversource must supply 20 percent of its electric sales using "Class I" renewable energy (defined below in Figure 1 and an additional 10 percent using either "Class I" renewables or electricity from large-scale Canadian hydroelectric dams. Massachusetts Class I renewable energy can come from generators in New England, New York, and some Canadian provinces.

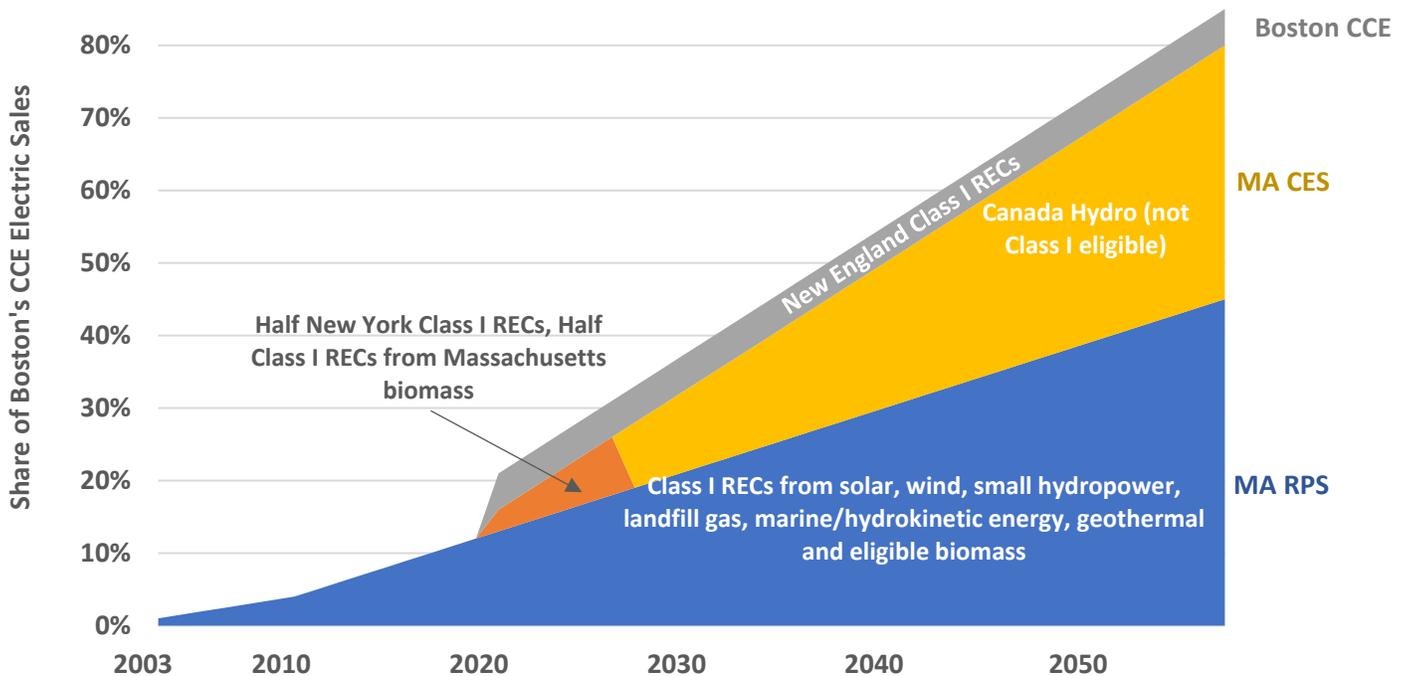
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Electricity purchased for Boston's CCE would first meet the same RPS requirements as Eversource does, and would also increase the renewable content of the electricity used by

residents and businesses in Boston, allowing them to use more sources like solar and wind to power their homes and businesses.

**Figure 1. Boston Greenhouse Gas Emission Reduction Policies and Programs**



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