Spring 2022

MMWEC Solar Aggregate

Massachusetts Municipal Wholesale Electric Company

Update: Q4 2021 MMWEC Solar Aggregate

Production -1,520 SRECs
SREC I: 347
SREC II: 1,173

Projects - 164
SREC I: 80
SREC II: 84
Non-Residential: 29

Trading Values 2021
SREC I: Low $300s
SREC II: Upper $200s

MMWEC Solar Aggregate

The Massachusetts Municipal Wholesale Electric Company (MMWEC) created the MMWEC Solar Aggregate in 2010 to enable Massachusetts municipal utilities and their customers to capture the benefits of the Commonwealth's solar development incentive, which is based upon the production and sale of Solar Renewable Energy Certificates, or SRECs.

One SREC is created each time a solar project, or an aggregation of solar projects, generates 1,000 kilowatt hours of electricity (factors may be applied to SREC II). SRECs produced by projects in the MMWEC Solar Aggregate are sold to entities, typically investor-owned utilities, that have a Renewable Portfolio Standard requirement to either, 1) generate or purchase a specific amount of solar energy, 2) purchase an equivalent amount of SRECs, or 3) make an alternative compliance payment to the Commonwealth.

Revenue generated by the sale of MMWEC Solar Aggregate SRECs I and II is shared with the owners or sponsors of projects in the Aggregate to help offset the costs of project development. MMWEC is able to register any new renewable projects. However, customers who are receiving the MLP Solar Rebate Incentive are not eligible for renewable energy certificates or SRECs.

An Ipswich Electric Light Department territory solar installation.

SREC 1 Payment Transition to Begin this Summer After One Year Delay

Customers who participated in the SREC 1 program will soon begin to transition from SREC 1 Program payments to Massachusetts Class 1 Renewable Energy Credits (RECs) payments.

Launched in January 2010, the Massachusetts SREC 1 Program was designed to help customers offset the cost of solar panel installations. The capacity limit of the program was originally set at 400 megawatts, which was reached in the spring of 2013. However, the Massachusetts Department of Energy Resources (DOER) continued to qualify projects under SREC 1 through the first half of 2014.

Approved customers who installed eligible solar projects during the 2010-2014 enrollment period are eligible for SREC 1 payments for the first 40 quarters or 10 years of generation. After a project's SREC eligibility period ends, the project is then eligible to produce renewable energy credits (RECs) for the Massachusetts Class 1 market for the life of the project. SREC 1 payments are in the $300 per SREC range and the Mass Class 1 REC payments are slightly below the $40 per REC range.

A solar panel.

The SREC 1 payment transition was originally scheduled to begin last summer, but the transition was delayed one year by the DOER.

Customers who enrolled in the SREC 1 Program at its launch will see the payment difference later this year. The payment difference may be reflected as early as the 2022 first quarter payments, which are expected to be minted in July and issued to customers in September. Customers that are nearing the end of the 40 quarters of SREC 1 payments will receive a letter notifying them of the change.

A residential solar array.

Customers with questions about the age of their solar project or when it will transition out of the SREC 1 Program may contact the MMWEC Analyst Team at analysts@mmwec.org or 413-308-1363.

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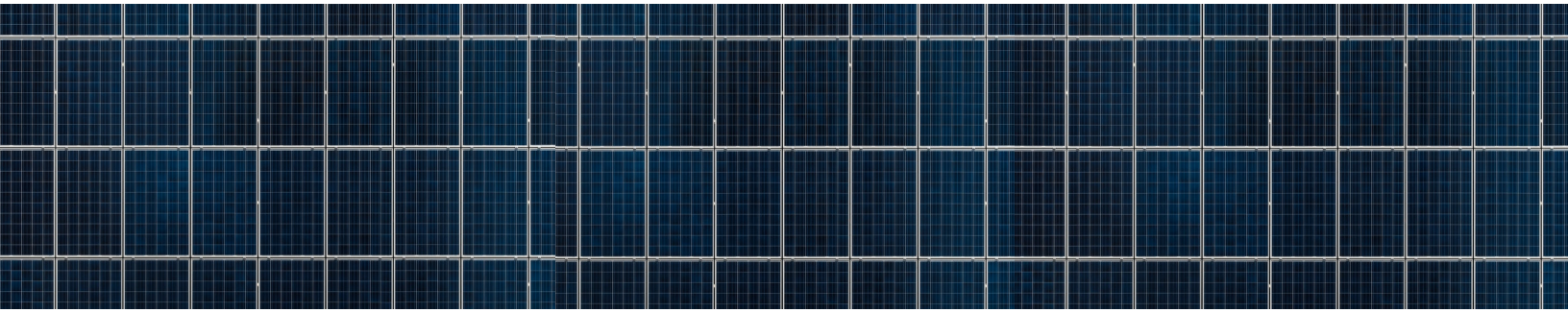

Massachusetts Real Estate Firm Creates Energy Efficiency Model for Renters

As Massachusetts aims to reach its decarbonization goals, increasing the number of rental properties that participate in decarbonization and electrification initiatives may prove challenging.

South Winds Apartments

It can be difficult for apartment and multi-family home renters to implement energy efficiency changes and reap the benefits because they do not own the property. Real estate owners must also plan upgrades logistically when taking hundreds of tenants into account.

To combat this difficulty, a real estate developer, Taurus Investment Holdings, spent two years developing an energy efficiency and renovation plan for a 39 building apartment complex in Fall River to conserve energy for all its residents.

The renovation plan included replacing the climate control systems with heat pumps and installing solar panels on all rooftops. These changes are projected to avoid more than 3,800 tons of carbon emissions annually and reduce energy costs by 80 percent.

Taurus executed the project with RENU Communities, a subsidiary that completes retrofits for the firm's properties, and BlueWave Solar. The project was planned to cause as little disruption for tenants as possible, with the majority of work completed during daytime hours when most tenants were not present.

RENU plans to use the Fall River project as a model for its other properties, and is planning similar upgrades at two additional apartment complexes.

Source: https://energynews.us/2022/04/05/massachusetts-apartment-retrofit-offers-model-for-multifamily-energy-savings/, Photo: South Winds Apartments

Mass Cannabis Company First to be 100% Solar Powered

The cannabis industry is known for being energy-intensive. Cannabis companies often require lighting and heating, ventilation, and air conditioning systems (HVAC) to be operating around the clock to promote optimal growing conditions, making the cannabis industry responsible for 10 percent of the state's energy consumption.

Solar Cannabis headquartes

A Massachusetts company has embraced renewable energy to combat that narrative. Solar Cannabis, located in Somerset, is the only commercial cannabis company in the country that is 100 percent solar powered. The company has a 67,000 square foot array of solar panels on the building's roof and adjacent fields capable of generating five megawatts of solar electricity, the equivalent of providing power for 5,000 homes.

Solar Cannabis also utilizes high efficiency natural gas cogeneration units, which allows 90 percent water reclamation. Furthermore, the company only utilizes organically produced products while making their edibles.

The company is interested in further reducing its carbon footprint by starting a composting program, but is waiting on state guidance before they begin the planning process.

Source: https://www.nbcboston.com/news/local/how-a-ma-cannabis-company-is-tackling-its-industrys-sustainability-problem/2699901/. Photo: Solar Cannabis Co