

Massachusetts Renewable Energy Fund FAQ

Fee Logistics

1. The Fund is committed to transparency in its fee structure and how fees are applied to support project development.
2. The Fund will be financed by an 'add-on' of at least \$.75/mWh. This add-on will be chosen by the municipality and will be included in the total supply rate provided to the CCA.
3. Fund investments will flow monthly from the ratepayer through purchase of receivables to the supplier. The supplier will send investments directly to the Trust.
4. The Fund will be housed in and managed by HCG with support provided by the independent trustee.
5. HCG will be reimbursed for administrative services by the Fund at a rate not to exceed \$.20/mWh. This administrative fee will cover accounting, administration and the independent trustee.

Management and Investment Selection

1. The Fund Oversight Board will guide management and grant selection. This Oversight Board shall be made up of representatives from participating CCA communities, the trustee, and one representative from HCG.
2. HCG shall report to the participating CCA communities monthly on the status and balance of the Fund.
3. The Oversight Board, with the guidance and assistance from the trustee and HCG staff, shall review grant applications and shall make a recommendation to the trustee for final approval of Fund expenditures.
4. The Oversight Board, with guidance from the trustee and HCG staff, shall create criteria for reviewing applications for access to the Fund. Example criteria may include eligibility, annual fuel savings, project risk (financial, credit, regulatory, technical, operational, environmental, etc.), location/site suitability, size/scale, technology, economic benefits and costs, financing plan, levelized cost of energy, carbon reduction, local jobs created, etc. Criteria will be weighted to reflect Fund project selection priorities.
5. Projects will be ranked according to these criteria, and funded accordingly on an annual basis.
6. These criteria will be reflected in an online application, along with appropriate financial and other inputs, to ensure that project applications are on an apples-to-apples basis, and that the process is easy for applicants. Timely project ranking feedback shall be posted here.

Grants

1. The Fund shall be used to facilitate the installation of new, renewable energy generation in the Commonwealth. This may take many forms and may include grants, Power Purchase Agreements, Renewable Energy Credit (REC) purchases, net metering, loan programs, program development (such as creating a new net metering administrative management platform), or other investment vehicles as determined by the Oversight Board, that assist a developer in the creation of new renewable energy projects.
2. Wherever possible, the CCAs that invested in the new resource shall receive benefits in direct proportion to the investment. For example, the CCA may receive net metering credits at a greater discount than market. The CCA may receive RECs at discounted prices.
3. The Fund has selected a pre-approved partner Northeast Solar, LLC. Northeast Solar shall be the sole applicant for grant funds until April 2020, when the grant application process shall be open to all Massachusetts-based renewable energy generation developers.

Validation

1. Periodic site audits of Fund invested developments will be conducted on a sampling basis, to ensure that projects meet the objectives of the Fund.