

Program Highlights

- ▶ The Community Scale Wind Initiative addresses the financial challenges of initial site assessments and feasibility studies.
- ▶ The Initiative has established a thorough and methodical examination of project risks.
- ▶ The Initiative does not require a cost-share for public entities until the design and construction phase.
- ▶ Since April 2009, the Initiative has awarded \$7.4 million to 32 feasibility studies and 15 design and construction projects, leveraging over \$82 million in wind project investments in 39 municipalities. The Initiative's budget for 2010 was \$8.9 million.

Massachusetts Clean Energy Center

COMMONWEALTH WIND'S COMMUNITY SCALE WIND INITIATIVE

The Massachusetts Clean Energy Center's (MassCEC) mission is to develop renewable energy generation. To that end, the Commonwealth Wind program was established in 2009 to complement the state's newly enacted net metering regulations and to assist responsibly sited wind energy projects with successful and timely installations to meet Governor Deval Patrick's goal of 2,000 MW of wind power capacity installed in the Commonwealth by 2020. Commonwealth Wind formed the Community Scale Wind Initiative as a competitive grant program to fund feasibility studies as well as design and construction activities for public and private applicants. Since April 2009, the Initiative has awarded \$7.4 million to 32 feasibility studies and 15 design and construction projects, potentially leading to the development of 65 MW of wind energy and leveraging over \$82 million in total wind project investments in 39 municipalities. The first turbines to be constructed as a result of funding from this program are expected to go online in 2010.

Addressing Opportunities and Challenges to Community Wind

Massachusetts electricity consumers pay some of the highest rates in the nation. Therefore, providing support for projects can be a significant benefit to towns and businesses that would otherwise not be able to benefit from clean energy. Additionally, community-scale wind projects allow the creation of distributed generation resources near load centers that are not possible with larger wind farms, decreasing transmission congestion and benefitting consumers throughout the state.



The Community Scale Wind Initiative addresses the challenges of developing productive community-scale projects in several ways. At the Feasibility Study phase, MassCEC has established prescriptive and rigorous requirements that ensure comprehensive evaluation of the technical, economic, and environmental risks. For public entities, MassCEC funds 100 percent of the cost of initial site assessments to identify fatal flaws. For both public and private projects, the fatal flaw analysis is a prerequisite for subsequent Feasibility Study Funding. At the Feasibility stage, MassCEC prescribes rigorous requirements to ensure a comprehensive evaluation of risks—technical, economic, and environmental. MassCEC provides funding directly to the client, who then moves the project forward by hiring their own consultants. Quality control is maintained through strict standards and milestones that define when portions of the grant are paid.

Through the Community Scale Wind Initiative, MassCEC also addresses the challenge of funding small wind projects. Municipalities typically have little available cash or tolerance for risk, and private developers of community-scale projects are not usually able to obtain financing based on the expected revenues of the project in the way that developers of commercial-scale wind farms are able to do. The Community Scale Wind Initiative does not require a cost-share for public entities until the design and construction phase and requires only a 20 percent cost-share for private entities. This alleviates the risk of investing until the project proponents are more confident of success.

The Community Scale Wind Initiative's 2010 budget is \$8.9 million. Grants are available for site assessment, wind resource monitoring equipment, feasibility studies, and design and construction. MassCEC funds turbines 100 kW and above that serve on-site electrical loads and that generate electricity that qualifies for Massachusetts' net metering provisions. Municipalities, private owners, public agencies, and nonprofit organizations can initiate projects. Typically, grants cover 10 to 20 percent of the installed turbine cost.

Harnessing Public Interest in Community Wind

Massachusetts is leading the nation in innovative energy reform, making clean energy a centerpiece of the state's economic future. The Community Scale Wind Initiative's early, pre-operational support was intentionally designed to complement Massachusetts' new net metering regulations, which created a long-term source of revenue for small projects. Municipally owned projects, where benefits are shared by the entire community, are increasingly popular. The development of single-turbine projects within communities has had a transformative impact on public attitudes toward wind power.

The Community Scale Wind Initiative, together with Massachusetts' new net metering provisions, promote sensible wind energy development in the Commonwealth; both programs emphasize consumer protection and educate developers on the rigorous feasibility study standards, helping to leverage the best use of public funds, develop in-state wind energy expertise, and incrementally transform public attitude toward wind development. The Community Scale Wind Initiative is highly replicable in other states with similar opportunities and challenges.

Judges' Comments

Massachusetts' initiative is an innovative way to move the small wind market—which has huge potential—by dealing with market barriers and technology diffusion to a broad spectrum of users. The program is still young, but it shows new and different thinking, much like a startup. It can ultimately incentivize communities to not only deploy wind but also to accept wind through an incremental, participatory approach.



About the Massachusetts Clean Energy Center

Massachusetts is leading the way in innovative and comprehensive energy reform that will make clean energy a centerpiece of the Commonwealth's economic future. The Green Jobs Act of 2008 created the Massachusetts Clean Energy Center (MassCEC) to accelerate job growth and economic development in the state's clean energy industry. This new quasi-public agency serves as a clearinghouse and support center for the clean energy sector, making direct investments in new and existing companies, providing assistance to enable companies to access capital and other vital resources for growth, and promoting training programs to build a strong clean energy workforce that capitalizes on the job opportunities created by a vital new industry.

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