



## **A Few Key Rules of the LREC/ZREC Program**

### **What is an LREC?**

An LREC is a Class I Renewable Energy Certificate from a low-emissions project as defined in Section 110 of Public Act 11-80. LREC-qualified projects are Connecticut generation projects that are located behind company customer meters, achieve commercial operation on or after July 1, 2011, and have emissions of no more than 0.07 pounds per megawatt-hour (MWh) of nitrogen oxides, 0.10 pounds per MWh of carbon monoxide, 0.02 pounds per MWh of volatile organic compounds, and one grain per 100 standard cubic feet. To qualify for the LREC/ZREC Program, LREC projects may not be larger than 2,000 kilowatts (kW).

### **What is a ZREC?**

A ZREC is Class I Renewable Energy Certificate from a zero emissions project as defined in Section 107 of Public Act 11-80. ZREC-qualified projects are Connecticut generation projects that are located behind company customer meters, achieve commercial operation on or after July 1, 2011, and emit no pollutants. To qualify for the LREC/ZREC Program, ZREC projects may not be larger than 1,000 kW.

### **What Types of Projects Can Qualify for the LREC/ZREC Program?**

The REC can be either zero emissions (ZREC) if it originates from a solar, wind, small hydro or other zero emissions generating source, or low emissions (LREC) if it meets certain measured emissions standards. Fuel cells are a good example of an LREC.

### **How Will Eversource Select Projects under the LREC/ZREC Program?**

Eversource will select projects either through a competitive solicitation (Request for Proposals) or through a tariff.

### **Other Key Rules:**

- LREC projects must be no larger than 2,000 kW.
- There will be three annual LREC solicitations with a starting price cap of \$200/REC, and the opportunity for two additional annual solicitations if PURA authorizes them. PURA has the option to modify the price cap after the first year's solicitation.
- Eversource will have approximately \$3.2 million in annual funding for LREC solicitations.
- ZREC projects must be no larger than 1,000 kW. Within that limit there will be three project size classes, each with separate funding levels. The three size classes are: up to 100 kW, over 100 kW but less than 250 kW, 250 kW – 1,000 kW.
- There will be up to six annual ZREC solicitations with a starting price cap of \$350/REC; PURA has the option to modify the price cap after the first year's solicitation.
- Eversource will have approximately \$6.4 million in annual funding for ZREC solicitations.
- Project must not have received a grant or rebate from the Connecticut Green Bank or its predecessors the Clean Energy Finance and Investment Authority (CEFIA) and the

Connecticut Clean Energy Fund (CCEF), although Connecticut Green Bank/CEFIA financing is permitted.

- Generation must be in service after July 1, 2011. The project must be located behind a Connecticut Light and Power dba Eversource revenue meter. Projects must have a dedicated meter to count the energy being produced for the purposes of reporting to the New England Power Pool (NEPOOL) Generation Information System (GIS). This dedicated meter is known as an REC meter.
- Projects must meet all of Eversource's [Interconnection Guidelines](#).
- A participant in a solicitation may not submit more than one bid for a facility (per customer meter) and may not submit bids for both LREC and ZREC solicitations from a facility.
- If a project is selected for a contract, performance assurance, in the form of a letter of credit or cash, is required and will be returned after the project goes into service.