APPENDIX L: DEFINITIONS FOR PACE MASSACHUSETTS

Applicant: Collective term including the property owner, preparer, and/or the project developer responsible for the PACE application.

Alternative Energy Portfolio Standard (APS): Portfolio standard, set forth in 225 CMR 16, which provides requirements and incentives for alternative electricity and renewable thermal technologies. Qualified resources generate Alternative Energy Credits (AECs) for each megawatt hour or MMBTU equivalent of energy produced.

Energy Improvements: Collective term for eligible measures in PACE Massachusetts. Eligible measures include energy consumption reduction improvements and renewable energy improvements.

Clean Peak Energy Portfolio Standard (CPS): Portfolio standard set forth in 225 CMR 21.00 which provides requirements and incentives for clean energy technologies that can supply electricity or reduce demand during seasonal peak demand periods. Qualified resources generate Clean Peak Energy Certificates (CPECs) for each megawatt hour of energy and are adjusted for applicable Clean Peak Energy Certificate multipliers.

Commercial or industrial property: Any real property other than a residential dwelling containing fewer than five dwelling units.

Energy Consumption Reduction Improvements: Energy efficiency or conservation equipment installation.

Investor Confidence Project Protocol (ICP): Ready-made set of energy efficiency technical standards consisting of accepted industry standards and best practices set forth at the ICP website. The ICP serves as a standardized roadmap for how projects should be engineered robustly and to ensure that saving projections are reliable.

Owner: Owner of qualifying commercial or industrial property who desires to install energy improvements and who provides free and willing consent to the betterment assessment against the qualifying commercial or industrial property.

PACE Massachusetts: Commercial Property Assessed Clean Energy program, as set forth in G.L. c. 25M.

PACE project: With respect to a parcel of qualifying commercial or industrial property, (1) design, procurement, construction, installation and implementation of commercial energy improvements; (2) related energy audits; (3) renewable energy system feasibility studies; and (4) measurement and verification reports of the installation and effectiveness of such energy improvements. Also known as Commercial Pace project as defined within M.G.L. c 23M section 1.

Project Developer (PD): Individual responsible for preparing a PACE application package, baseline, and savings calculations, pursuant to Section 4 of this appendix.

Renewable Energy Improvements: Equipment added to a commercial or industrial property to generate electricity or thermal energy by using renewable technologies that meet requirements for the RPS or renewable thermal generating units that meet the requirements for APS. Energy storage may be considered a Renewable Energy Improvement if paired with renewable generating equipment.

Renewable Energy Portfolio Standard (RPS): Portfolio standard, set forth in DOER regulations at 225 CMR 14 and 225 CMR 15, which provides requirements and incentives for renewable electricity generation technologies. Qualified resources generate Renewable Energy Credits (RECs) for each MWH produced.

Savings to Investment Ratio (SIR): The ratio of energy cost savings of the Energy Improvements over the useful life of the improvements to the costs of the improvements, including any financing costs and associated fees. The calculation is used to determine whether a PACE Project's savings are equal to or greater than the investment.

Solar Massachusetts Renewable Target Program (SMART): An incentive program, set forth in DOER regulations at 225 CMR 20, for solar photovoltaics.

Stand-Alone Energy Storage Systems: Energy storage that is not co-located with a renewable energy system, which is designed to dispatch coincident with annual peak electric grid load or is anticipated to be used for at least fifty-two (52) full cycles per year. Stand-Alone Energy Storage Systems must have at least a 65% round trip efficiency in normal operation.

Property Assessed Clean Energy
PACE
Massachusetts