

## ATTACHMENT A

### Revised Business Rules for Issuing VA-Approved Renewable Energy Certificates ("RECs") pursuant to 2020 Virginia Clean Economy Act ("VCEA")

1. For compliance years 2021-2024, GATS can automatically certify as eligible for use toward the VA RPS all renewable energy (as defined in § 56-576) from facilities located in Virginia and in the PJM Region, as similarly done today. However, effective January 1, 2021, the VCEA expressly prohibits the use of RECs from (i) renewable thermal energy, (ii) renewable thermal energy equivalent, (iii) biomass-fired facilities that are outside the Commonwealth, and (iv) biomass-fired facilities operating in the Commonwealth as of January 1, 2021, that supply 10 percent or more of their annual net electrical generation to the electric grid or more than 15 percent of their annual total useful energy to any entity other than the manufacturing facility to which the generating source is interconnected. Additionally, the definition of renewable energy does not include waste heat from fossil-fired facilities. To ensure that any RECs from a biomass or waste heat facility meet the legislative criteria in § 56-585.5 C, such a request to register with GATS will not be automatically accepted and must be accompanied by an affidavit provided to GATS, with a copy simultaneously furnished to the Commission Staff, attesting to such eligibility as shown on Appendix 1 or Appendix 2 of these business rules. The following table reflects the VA-Eligible fuel types that may be used to produce RECs to comply with the VCEA and satisfy the Virginia RPS requirements for compliance years 2021-2024:

VA-Eligible Fuel Types: 2021-2024	Non-Eligible Fuel Types
<ul style="list-style-type: none"> <li>• LFG Captured Methane - Landfill Gas</li> <li>• FCR Fuel Cell - Renewable Fuel</li> <li>• GEO Geothermal</li> <li>• WAT Hydro</li> <li>• OCI Ocean</li> <li>• AB Biomass - Agriculture Crops in VA</li> <li>• OBG Biomass - Other Biomass Gases in VA</li> <li>• OBL Biomass - Other Biomass Liquids in VA</li> <li>• OBS Biomass - Other Biomass Solids in VA</li> </ul>	<ul style="list-style-type: none"> <li>◦ CMG Captured Methane - Coal Mine Gas</li> <li>◦ BIT Coal - Bituminous and Anthracite</li> <li>◦ LIG Coal - Lignite</li> <li>◦ SC Coal - Coal-based Synfuel</li> <li>◦ SUB Coal - Sub-Bituminous</li> <li>◦ WC Coal - Waste/Other</li> <li>◦ EE Energy Efficiency</li> <li>◦ DSR Demand-Side Response</li> <li>◦ FCN Fuel Cell - Non-Renewable Fuel</li> <li>◦ BFG Gas - Blast-Furnace Gas</li> </ul>

<ul style="list-style-type: none"> <li>• PW Biomass - Poultry Waste in VA</li> <li>• SLW Biomass - Sludge Waste in VA</li> <li>• SW Biomass – Swine Waste in VA</li> <li>• SUN Solar - Photovoltaic</li> <li>• STH Solar - Thermal</li> <li>• MSW Solid Waste - Municipal Solid Waste</li> <li>• WH Waste Heat</li> <li>• WND Wind</li> </ul>	<ul style="list-style-type: none"> <li>◦ NG Gas - Natural Gas</li> <li>◦ OG Gas - Other</li> <li>◦ PG Gas - Propane</li> <li>◦ NUC Nuclear</li> <li>◦ DFO Oil - Distillate Fuel Oil</li> <li>◦ JF Oil - Jet Fuel</li> <li>◦ KER Oil - Kerosene</li> <li>◦ PC Oil - Petroleum Coke</li> <li>◦ RFO Oil - Residual Fuel Oil</li> <li>◦ WO Oil - Waste/Other Oil</li> <li>◦ OTH Other</li> <li>◦ HPS Pumped Storage</li> <li>◦ TDF Solid Waste – Tire Derived Fuel</li> <li>◦ WDS Wood – Wood/Wood Waste Solids</li> </ul>
---	--

2. For generators that are eligible to satisfy RPS in VA pursuant to Va. Code § 56-585.5 C, GATS will apply a unique state certification number to the certificates created for that generator using a format to be determined by the SCC. For example, VA-#####-fueltype, where '#####' is a unique number and fuel type is one of the codes from the table above. For small distributed facilities (<1 MW), GATS will add the suffix "-D" after the appropriate fuel type, e.g., VA-#####-fueltype-D. Owners of resources seeking to qualify as small distributed resources (<1 MW) must self-certify that the facility meets the small-scale eligibility requirements of Va. Code § 56-585.5 C and provide such supplemental or technical information as may be required by GATS.
  
3. If it is not possible for PJM EIS to determine if a facility is eligible in VA, any other VA certifications will be applied by the GATS Administrators on an exception basis as directed by the VA SCC. Additional requirements of VA regarding eligibility:
  - RECs associated with capacity or energy generated by a public utility serving the Commonwealth must be from facilities located within VA or within the PJM interconnection region.
  
  - Low-income qualifying projects as defined in § 56-585.5 A and addressed in § 56-585.5 C are not separately designated in GATS at this time.

- RECs from biomass-fired and waste heat facilities are limited to that meeting the criteria of Va. Code § 56-585.5 C and accompanied by the appropriate affidavit.
  - Further market, technology or regulatory developments in Virginia not currently addressed by these Business Rules may be applied on an exception basis by GATS as directed by the VA SCC or presented to the Commission for consideration in further revision of these Business Rules.
4. RPS compliance in VA will be on a calendar-year basis. RECs meeting the criteria set forth in Va. Code § 56-585.5 C can be used for RPS compliance for the calendar year in which the generation occurred or, for RECs created in 2016 and thereafter, within the subsequent five calendar years. Electric investor-owned utilities should retire RECs to meet their respective annual RPS requirements for the prior calendar, or compliance year, and report such information to the Director of the Commission's Division of Public Utility Regulation by April 30<sup>th</sup> of each year.
  5. It is understood and expected that all generators will utilize a revenue-quality meter that meets the ANSI C-12 standard to measure and report associated generation and corresponding REC values.
  6. For the period 2025 and beyond, further revisions to GATS will be addressed at a later time to reflect the VCEA (RPS Eligible Resources as defined in § 56-585.5 C) and any subsequent amendments in advance of the year 2025.

## APPENDIX 1

### Eligible Biomass Self-Certification Affidavit

I (officer name and title) of (applicant name) certify on this (date) , that the information provided below is true and complete and that the biomass facility called (facility name) located in Virginia hereby meets the eligibility requirements of Va. Code § 56-585.5 C to provide renewable energy certificates to help satisfy Virginia's RPS compliance for an electric investor-owned utility.

---

Signature

**Biomass requirements:**

- Physically located at \_\_\_\_\_
- Yes or no \_\_\_\_\_ in operation as of January 1, 2020
- Facility fuel source \_\_\_\_\_
- Yes or no \_\_\_\_\_ supplies no more than 10% of annual net generation to the electric grid
- Yes or no \_\_\_\_\_ supplies no more than 15% of annual total useful energy to any entity other than the manufacturing facility to which the generating source is interconnected
- Facility's 2019 annual net generation was \_\_\_\_\_ MWh

Date completed affidavit sent simultaneously to GATS and Commission Staff

\_\_\_\_\_.

