

1. To promote investment, it is fundamental that above all else the government must create and keep a stable political environment for such investments. The Commonwealth's ability to attract investment capital is undermined by any perceived increase in the mere probability that changes applicable retroactively to investments previously made (even changes that improve investors' economics) might be made to the laws and regulations governing such investments, or to the ways such laws and regulations are enforced or interpreted. Such political uncertainty only adds to the other risks accompanying any investment.
2. With respect to the Solar Carve-Out of the Renewables Portfolio Standard, to the extent that the proposed changes to 225 CMR 14.00 et seq. might improve the economics of existing investors in Solar Carve-Out Renewable Generation Units, they may harm the economics of electricity consumers in the Commonwealth; and conversely electricity ratepayers benefit to the extent existing investors in Solar Carve-Out Renewable Generation Units are harmed by the proposed changes. Regardless of the impact of the proposed changes on any particular group of stakeholders, changing the regulation retroactively to existing investments in Solar Carve-Out Renewable Generation Units increases the perceived political risk of prospective investments in such Units.
3. The proposed change to 225 CMR 14.08(3)(b)(2) increases the risk to existing investments in Solar Carve-Out Renewable Generation Units for Compliance Years 2023 and subsequent by allowing the Massachusetts Department of Energy Resources to reduce the ACP Rate to zero for such Compliance Years. I believe this is an oversight, and I strongly recommend that in the schedule to this section the following phrase is added to the end of the entry for "ACP Rate per MWh" for Compliance Years "2023 and after":

"but cannot be reduced by the Department by more than 10% in a Compliance Year."
4. 225 CMR 14.05(4)(d) unintentionally assesses a 5% usage fee on every Re-minted Auction Account Attribute returned to the Owner or Operator of the Generation Unit who made the deposit. To clarify that this is not the intention of the regulation, the following words should be added at the end of the first sentence of 225 CMR 14.05(4)(d):

"that has not been returned as a Re-minted Auction Account Attribute to the Owner or Operator of the Generation Unit who made the deposit."

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