



Mr. Michael Judge
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114
Email: DOER.SREC@state.ma.us

Re: Regulatory Changes to 225 CMR 14.00 RPS Class I

Dear Mr. Judge:

American Capital Energy (ACE) is a solar engineering, procurement and construction contractor and solar developer headquartered here in Massachusetts. We have installed more than 48 MW of solar PV nationwide and currently have over 30 MW of PV in development here in Massachusetts. ACE appreciates the important changes to the Solar Carve-Out program proposed by the Department of Energy Resources (DOER) and welcomes the opportunity to provide comment. ACE's comments below focus on two substantive areas: (1) the queuing mechanism proposed by DOER; and (2) the Auction Opt-In Term. ACE also proposes one conforming change to the regulation in section 225 CMR 14.05(4)(i).

First, ACE appreciates DOER's efforts to address the expected influx of Statement of Qualification (SOQ) applications in advance of July 20, 2013 (its announcement of the next Auction Opt-In Term) by creating an Assurance of Qualification. However, ACE is concerned about the timing and effective date of this queue system. DOER proposes to issue a Guideline outlining the process for providing the Assurance of Qualification but the proposed regulation does not include any required timing for publication of the Guideline. ACE respectfully requests that if DOER intends to implement an Assurance of Qualification prior to July 20, 2013, it issue the Guideline sufficiently in advance of that date so that potential SOQ applicants may fully review and understand the process for the Assurance of Qualification. Based upon our experience, any added uncertainty with respect to the timing of the Assurance of Qualification and/or DOER's associated Guideline will further undermine the already challenging lending market and financing for the development of Solar Carve-Out Units in Massachusetts.

Second, ACE strongly suggests that DOER reconsider the need for an adjustment to the Auction Opt-In Term on July 20, 2013. In light of the current solar market conditions, the increase in the net metering capacity cap and the delays in implementing a system of assurance for allocation of net metering capacity, a reduction in the Auction Opt-In Term at this time will have a detrimental effect on the continued development of Solar Carve-Out Units in Massachusetts. Given the likelihood that DOER will reach its Solar Carve-Out program cap earlier than originally projected, ACE respectfully requests that DOER consider establishing a fixed 10-year Auction Opt-In Term for all Solar Carve-Out Units that receive an SOQ under the 400 MW Solar Carve-Out program cap.



Finally, in keeping with DOER's proposed revision in 225 CMR 14.05(4)(c) that the entity that owns Solar Carve-Out Renewable Attributes is eligible to make deposits into the Auction (rather than the owner/operator of a Generation Unit), a conforming change is necessary in Section 225 CMR 14.05(4)(i) to establish that the Re-Minted Auction Account Attributes are returned to the *owner of such attributes* (rather than the Generation Unit owner/operator, as the current regulation reads).

Thank you for your efforts to address these important and necessary changes to the RPS Solar Carve-Out program.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric T McLean", with a long horizontal flourish extending to the right.

Eric T McLean P.E.
Executive Vice President of Operations
American Capital Energy Inc.