

Dear DOER, With the full understanding of DOER's objectives for the new SREC 2 regulations, please note that combination of proposed SREC Factors and reduction of SREC floor pricing over time will setup a situation wherein 1 or 2 Mw systems to support Municipal Light Departments becomes financially infeasible.

Unfortunately, this will place taxpayers and ratepayers in the 41 communities with Municipal Light Departments at a significant disadvantage, and subject to significant impacts from the large utilities with virtually no opportunity to setup their own solar systems or achieve the same objective through a PPA with a private party solar facility dedicated for the municipality. Due to the wholesale market in MLD territories, even 100 kw rooftop projects to service schools in MLD territories will be virtually impossible to finance.

In order to address effects on these MLD territory ratepayers and taxpayers, the following are a few program adjustments to the draft regulations that could help:

1. Place projects for municipal agencies into SREC Category A. This could be done for MLD territory municipalities, or perhaps all municipalities.
2. To buffer the extensive impact of the new SREC Factors, the regulations should allow standard RPS REC's to be issued to fill the gap created by the SREC Factor. As an example, if the SREC Factor allows 70% of computed Mwh to be used for SREC's, the regulations should allow the remaining 30% to be issued in standard RPS REC's.

Thanks very much for your time and consideration. Please contact me if there are any questions, comments or clarifications needed on these suggested revisions to the draft regulations.

Best Regards,

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