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Although EthoSolar is a recent addition to the companies serving Massachusetts, we have significant experience in commercial and residential solar with nearly 600 systems installed across Ontario. Recently, we have gained expertise in cooperative solar projects with 34 projects in development at present. EthoSolar is a 360° solar solutions company helping residences, businesses, and communities profit from solar through ownership models.

After reviewing the DOERs most recent regulatory updates concerning community solar systems, we have a couple of comments and critiques to offer.

First, we commend your desire to support community solar as a mechanism to grant access to a broader market. It is important that solar is available to the wider populace and not only to a select few.

SREC II policy, however, seems to lack the necessary breadth to succeed considering our own limited experience. Off-takers are limited to just 30 MW each of production on an annual basis, essentially restricting the Massachusetts community solar program to residential clients only.

The small commercial market (local businesses) is undoubtedly part of the community, could contribute the necessary resources (rooftops or land) to host a community solar array, and is currently the most restricted market with limited access to project financing. In our experience, an alliance between local businesses and individual residents in community solar projects is the surest path to successful community solar projects. Similar in concept to shopping malls that look for anchoring stores to provide stability for many smaller businesses, community solar works best when local businesses provide an anchoring off-taker and even a possible host site for an aggregated system.

One additional thought regarding community solar. Consider raising the bar to 10 participants when defining community solar. A lower number does not seem financially justified given the additional complexities involved.

Given these thoughts we would propose that the current community solar regulation be modified to read as follows:



**Community Shared Solar Generation Unit. A solar photovoltaic Generation Unit that provides net metering credits to ten or more utility accounts, whose owners have a formal ownership stake in the Generation Unit or the entity that owns the Generation Unit, and for which the net metering credits provided to each account do not exceed a value in excess of the equivalent of 50% of the unit's generation on an annual basis.**

Finally, consider allowing businesses that are already installing solar at a facility to expand ownership to employees and community members qualifying the entire system for the full community SREC factor of 1.

For future policy development there are a couple additional ideas we would submit. Unfortunately, the tax strategies necessary for owning solar in Massachusetts are not useful for many small businesses that serve as the backbone of their local communities. Alternative models (PPAs and Leases), create a flow of cash and incentives that most often exits the community and even the state while leaving a small business with minimal benefits. This seems to be contrary to the intent of your policy, but actual to its practical outworking.

Two options come to mind.

First, create a feed-in-tariff carve out that applies to small businesses and even community based non profits without the tax appetite to monetize credits.

Second, incentivize a private investment fund set aside for that market that automates tax equity financing through a partner-flip model that returns primary ownership/benefit to the small business after 6 years or retains ownership but provides a PPA at a price-point that is friendly and worthwhile to the small business. This is already being admirably done in the low-income housing sector by organizations like Boston Community Capital and their expertise might be helpful in expanding that model to other worthy sectors.

Others have eloquently addressed other concerns and we will not complicate our communication further with other topics. In summary, EthoSolar takes it hat off to the DOER for their wise policy management, but believes that we need to do more to strengthen ownership models statewide, maximizing the long term impact on the State's economy and allowing entities without tax appetite to adopt and engage.

Thank you for your work and courage in leading Massachusetts and the nation toward a brighter future!

Ethan DeSota  
Territory Manager