225 CMR 28.00: SOLAR MASSACHUSETTS RENEWABLE TARGET (SMART) PROGRAM 3.0

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28.01: Purpose and Application

The purpose of 225 CMR 28.00 is to establish a successor statewide solar incentive program to 225 CMR 20.00 to encourage the continued use and development of generating units that use solar photovoltaic technology by residential, commercial, governmental, and industrial electricity customers throughout the Commonwealth. The continued use and development of these generating units has the potential to reduce peak demand, system losses, the need for investment in new infrastructure, distribution congestion, increase grid reliability, improve public health and safety, and diversify the Commonwealth's energy supply. The program establishes mechanisms that allow for responsiveness to rapidly changing market conditions to sustain the development of solar photovoltaic technology to decarbonize the grid. Further, it contributes to the Commonwealth's environmental protection goals concerning air emissions and land use policy including, but not limited to, those required by the Global Warming Solutions Act, M.G.L. c. 21N, §§ 1 through 9, and the Clean Energy and Climate Plan for 2050, by displacing non-renewable generating resources. Owners of generating units that choose to participate in the statewide solar incentive program pursuant to 225 CMR 28.00 do so on a voluntary basis but shall comply with all the terms and requirements of 225 CMR 28.00.

28.02: Definitions

Alternative On-bill Credit. A credit generated by an Alternative On-bill Credit Generation Unit.

Alternative On-bill Credit Generation Unit. An STGU that is enrolled under a tariff establishing a bill credit for generation from STGUs that is approved by the DPU, but is not a tariff approved pursuant to 220 CMR 8.00: *Sales of Electricity by Qualifying Facilities and On-site Generating Facilities to Distribution Companies, and Sales of Electricity by Distribution Companies to Qualifying Facilities and On-site Generating Facilities* or 220 CMR 18.00: *Net Metering*.

Annual Capacity Block. A quantity of STGU capacity, determined pursuant to 225 CMR 28.05(1), that is entitled to be qualified under 225 CMR 28.00 in a given Program Year.

Annual SMART Program Assessment, The annual assessment of the SMART program conducted pursuant to 225 CMR 28.05(1).

Applicant. The Owner or Authorized Agent of a solar photovoltaic Generation Unit who has submitted a Statement of Qualification Application.

28.02: continued

Approved Distribution System Upgrade. A capital investment project under the provisional program established by D.P.U. 20-75-B or an electric sector modernization plan submitted under M.G.L. c. 164, § 92B that has been proposed by a Distribution Company and approved by the DPU.

Authorized Agent. A person or entity that acts on behalf of the Owner of an STGU through a formal agreement for all dealings with the Department.

Base Compensation Rate. The portion of an STGU's compensation rate related to the Generation Unit's rated alternating current capacity, prescribed in 225 CMR 28.13(2).

Behind-the-meter STGU. An STGU that serves On-site Load other than parasitic or station load utilized to operate the Generation Unit and that receives compensation under 220 CMR 8.00: *Sales of Electricity by Qualifying Facilities and On-site Generating Facilities to Distribution Companies, and Sales of Electricity by Distribution Companies to Qualifying Facilities and On-site Generating Facilities* or 220 CMR 18.00: *Net Metering*, or under the SMART Tariff.

Bill Credits. Net Metering Credits or Alternative On-Bill Credits.

Brownfield. A disposal site that has received a release tracking number from MassDEP pursuant to 310 CMR 40.0000: *Massachusetts Contingency Plan*, the redevelopment or reuse of which is hindered by the presence of oil or hazardous materials, as determined by the Department, in consultation with MassDEP. For the purposes of 225 CMR 28.02: Brownfield, the terms "disposal site," "release tracking number," "oil," and "hazardous materials" shall have the meanings given to such terms in 310 CMR 40.0006: *Terminology, Definitions and Acronyms*. No disposal site that otherwise meets the requirements of 225 CMR 28.02 shall be excluded from consideration as a Brownfield because its cleanup is also regulated by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 through 9675, the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6921 through 6939g, or any other federal program.

Building Mounted STGU. An STGU with 100% of the nameplate capacity of the solar photovoltaic modules used for generating power installed on a building.

Business Day. Means Monday through Friday, exclusive of state and federal legal holidays.

Canopy STGU. An STGU with not less than 100% of the nameplate capacity of the solar photovoltaic modules used for generating power installed on a raised structure in a manner that complies with the requirements of 225 CMR 28.07(5)(b)2.

Commercial Operation Date. The date on which a Distribution Company grants approval for an STGU to interconnect with the electric grid.

Community Shared STGU. An STGU that provides electricity or Bill Credits to three or more Customers of Record and meets the eligibility requirements of 225 CMR 28.07(5)(c)1.

Comparable Crops. Crops which by their production, harvesting, on-farm usage, processing, marketing, and other factors are comparable in agricultural practice, equipment requirements, economic value, environmental impact, and other factors to the crops previously grown on the site or previously grown by the proposed operator.

Compensation Rate Adder. An adder to an STGU's Base Compensation Rate established pursuant to 225 CMR 28.13(3).

Core Habitat. Key areas that are critical for the long-term persistence of rare species and other species of conservation concern, as well as a wide diversity of natural communities and intact ecosystems across the Commonwealth, as identified by the Massachusetts Division of Fisheries and Wildlife BioMap framework within the Natural Heritage and Endangered Species Program.

28.02: continued

Critical Natural Landscape. Areas including large natural landscape blocks and buffering uplands around coastal, wetland and aquatic Core Habitats to help ensure their long-term integrity, as identified by the Massachusetts Division of Fisheries and Wildlife BioMap framework within the Natural Heritage and Endangered Species Program.

Customer of Record. An eligible customer with the Distribution Company whose name appears on a Distribution Company billing account of a meter connected to or receiving Bill Credits from an STGU.

Department. The Massachusetts Department of Energy Resources, established by M.G.L. c. 25A.

Distribution Company, A company engaging in the distribution of electricity or owning, operating or controlling distribution facilities as defined in M.G.L. c. 164, § 1; provided, however, a Distribution Company shall not include a municipal utility established pursuant to the provisions of M.G.L c. 164.

DPU. The Massachusetts Department of Public Utilities established by M.G.L. c. 25, § 1.

Dual-use Agricultural STGU. An STGU located on Land in Agricultural Use, Important Agricultural Farmland, Fallow Farmland, or Newly Created Farmland that allows the continued use of the land for agriculture and meets the eligibility requirements of 225 CMR 28.07(5)(b)3.

Eligible Landfill. A landfill that has received an approval from MassDEP for the use of a solar photovoltaic Generation Unit at the landfill as a post-closure use pursuant to 310 CMR 19.143: *Post-closure Use of Landfills*.

End-use Customer. A person or entity in Massachusetts that purchases electrical energy from a Distribution Company.

Energy Storage System. A commercially available technology that is capable of absorbing energy, storing it for a period of time, and thereafter dispatching the energy.

Environmental Attribute. All GIS Certificates and any other environmental benefits associated with the energy generation of an STGU.

Environmental Monitor. An entity retained by the Department, under 225 CMR 28.08(6), to ensure compliance with Performance Standards under 225 CMR 28.08(7).

Fallow Farmland. Open arable land that has not been cultivated or used in agriculture for a period of one to five years preceding the Pre-Determination Application for a Dual-use Agricultural STGU.

Federal Low Income Requirements. For metropolitan areas, individuals and households with incomes at or below the greater of:

(a) 80% area median income; and

(b) 200% of the federal poverty level.

(c) For non-metropolitan areas, individuals and households with incomes at or below the greater of:

1. 80% area median income;
2. 80% Statewide non-metropolitan area median income; and
3. 200% of the federal poverty level.

Such designations may be identified using the U.S. Department of the Treasury's Community Development Financial Institutions Fund's Investment Area Eligibility dataset.

28.02: continued

Federally Designated Environmental Justice Area. ommunities defined as disadvantaged by the U.S. Environmental Protection Agency's Greenhouse Gas Reduction Fund and Solar for All program, including:

(a) census tracts identified as "disadvantaged" by the White House's Climate and Economic Justice Screening Tool;

(b) census block groups that are at or above the 90th percentile for any of the U.S. Environmental Protection Agency's EJScreen tool's supplemental indexes when compared to the nation or state; or

(c) geographic areas identified in the U.S. Environmental Protection Agency's EJScreen tool as within Tribal land.

Final Statement of Qualification. A document issued by the Department that qualifies an STGU under 225 CMR 28.00 and authorizes the start of the STGU's tariff term and issuance of incentive payments.

Flat Incentive Rate. The compensation rate assigned to STGUs less than or equal to 25 kW, set pursuant to 225 CMR 28.05(7).

Floating STGU. An STGU located on a body of water that is currently, or was formerly, used for water treatment, agricultural or industrial activities, that allows for the continued use of the water body for its intended purpose and meets the eligibility requirements of 225 CMR 28.07(5)(b)4.

Generation Attribute. Means a Generation Attribute, as defined in 225 CMR 14.02: *Definitions*.

Generation Unit. Means a Generation Unit, as defined in 225 CMR 14.02: *Definitions*.

GIS Certificate. An electronic record produced by the NEPOOL GIS that identifies Generation Attributes of each MWh accounted for in the NEPOOL GIS.

Growing Season Hours. For April through September, 9:00 A.M. through 6:00 P.M. For March and October, 10:00 A.M. through 5:00 P.M.

Guideline. A set of clarifications, interpretations, and procedures, including forms, developed by the Department to assist in compliance with the requirements of 225 CMR 28.00, The Department may issue new or revised Guidelines after providing notice and a minimum of 21-day public comment period on a draft version. Each Guideline shall be effective on its date of issuance or on such date as is specified therein, except as otherwise provided in 225 CMR 28.00.

Important Agricultural Farmlands. Means those soils found to be Important Farmlands pursuant to 7 C.F.R. § 657.5, that includes prime farmlands, unique farmlands, and additional land of statewide importance.

Incentive Payment Effective Date. As defined in the SMART Tariff, means the earliest date on or after the Commercial Operation Date on which electrical energy output of an STGU can result in the creation of RPS Class I Renewable Generation Attributes and is also eligible to begin receiving incentive payments.

Independent Verifier. An entity approved by the Department to perform the function of a third-party meter reader as defined in Rule 2.5(j) of the NEPOOL GIS Operating Rules, or any successor rule.

Interconnection Service Agreement. The agreement for interconnection service entered into between the interconnecting customer and a Distribution Company, as defined and provided in each Distribution Company's standards for interconnection of distributed generation.

28.02: continued

Interconnection Service Agreement Application Date. The date a Distribution Company deems an Applicant or Authorized Agent's application for an Interconnection Service Agreement complete.

ISO-NE. ISO New England Inc., the independent system operator for New England, the regional transmission organization for most of New England, which is authorized by the Federal Energy Regulatory Commission to exercise for the New England Control Area the functions required pursuant to the Federal Energy Regulatory Commission's Order No. 2000.

Kilowatt (kW). A unit of power equal to one thousand watts, as measured in alternating current (AC).

Kilowatt-hour (kWh). A unit of electrical energy or work equivalent to one thousand watts of power operating for one hour.

Land in Agricultural Use. All land as defined under M.G.L. c. 61A, §§ 1 and 2, and land that had been enrolled in a program established pursuant to M.G.L. c. 61A within the past five years.

Large Building Mounted STGU. An STGU greater than or equal to 900 kW where 100% of the nameplate capacity of the solar photovoltaic modules used for generating power are installed on a building.

Low Income Customer, An End-use Customer that:

(a) is on a low income discount rate of a Distribution Company;
(b) is a resident in a Low Income Eligible Area;
(c) provides documentation of participation in other needs-based programs, namely those that qualify customers for participation in a low income discounted rate including, but not limited to, the Low Income Home Energy Assistance Program (LIHEAP), Supplemental Nutrition Assistance Program (SNAP), and Medicaid;
(d) is a qualified participant in the Department's Massachusetts Solar for All Zero Interest Loan, Solar Lease, or Low Income Community Shared Solar Initiative; or
(e) self-attests to meeting the Federal Low Income Requirements or the definition of Low Income Customer through a form developed by the Department.

Low Income Eligible Area. A neighborhood, as identified through American Community Survey data, that has household income equal to or less than 65% of the statewide median income for Massachusetts or a Federally Designated Environmental Justice Area.

Low Income Property. One of the following properties:

(a) low- or moderate-income housing, as defined under M.G.L. c. 40B;
(b) condominiums that are deed-restricted to provide low income home ownership or rental opportunities;
(c) homeless shelters, as defined in 105 CMR 410.010: *Definitions*;
(d) a residential rental building that participates in a covered housing program as defined in the Violence Against Women Act of 1994, § 41411(a), 34 U.S.C. § 12491(a)(3);
(e) a housing assistance program administered by the Department of Agriculture under Title V of the Housing Act of 1949, 42 U.S.C. §§ 1471 *et seq*.;
(f) a housing program administered by a tribally designated housing entity as defined in the Native American Housing Assistance and Self-determination Act of 1996, § 4(22), 25 U.S.C. § 4103(22);
(g) other affordable housing programs as determined by the Department; or
(h) private entities that meet the requirements of 225 CMR 28.07(5)(c)3.a.i.

Low Income Property STGU. An STGU greater than 25 kW that provides all of its generation output in the form of electricity or Bill Credits to a Low Income Property and meets the eligibility requirements of 225 CMR 28.07(5)(c)3.

28.02: continued

Low Income STGU. An STGU less than or equal to 25 kW that serves Low Income Customers or allocates 100 % of its energy output to a Low Income Property in the form of electricity or Bill Credits and meets the eligibility requirements of 225 CMR 28.07(5)(c)2.

MassDEP. The Massachusetts Department of Environmental Protection established by M.G.L. c. 21A, § 7.

MassDFG. The Massachusetts Department of Fish and Game.

MDAR. The Massachusetts Department of Agricultural Resources established by M.G.L. c. 20, § 1.

Mechanical Completion. A state of project completion achieved when interconnection depends only upon receipt of notice of authorization to interconnect from the Distribution Company.

Megawatt (MW). A unit of power equal to one million watts, as measured in alternating current (AC).

Megawatt-hour (Mwh). A unit of electrical energy or work equivalent to one million watts of power operating for one hour.

Mitigation Fee. A fee assessed to an STGU pursuant to the Department's Mitigation Fee framework under 225 CMR 28.09.

Municipality. A city or town in the Commonwealth of Massachusetts that has been issued a public identification number by the DPU pursuant to 220 CMR 18.00: *Net Metering*.

NEPOOL GIS. The New England Power Pool Generation Information System, which includes a generation information database and certificate system, operated by the New England Power Pool, its designee or successor entity, that accounts for Generation Attributes of electrical energy consumed and generated within, imported into, or exported from the ISO-NE Control Area.

Net Metered Generation Unit. An STGU that is also enrolled and compensated as a Class I Net Metering Facility, Class II Net Metering Facility, or Class III Net Metering Facility, as defined under 220 CMR 18.02: *Definitions*.

Net Metering Credit. A Net Metering Credit as defined under 220 CMR 18.02: *Definitions*.

Newly Created Farmland. Land that an Applicant has demonstrated the viability of agricultural production on pursuant to 225 CMR 28.07(5)(b)3.c.i.

Non-net Metered Generation Unit. An STGU that is also enrolled and compensated as a State Qualifying Facility under 225 CMR 8.00: *Sales of Electricity by Qualifying Facilities and On-site Generating Facilities to Distribution Companies, and Sales of Electricity by Distribution Companies to Qualifying Facilities and On-site Generating Facilities*.

On-site Load. Any new or existing electric load located at the site of an STGU including any parasitic load that may result from the installation of the STGU, and that is wired to receive a portion of the electrical energy output from the STGU before the balance of such output passes through the STGU's metered interconnection onto the electric grid.

Other Governmental Entity. A department or agency of the Commonwealth, and any other governmental entity that has been issued a public identification number by the DPU pursuant to 220 CMR 18.00: *Net Metering*.

Owner. Any person or entity that, alone or in conjunction with others, has legal ownership of an STGU.

28.02: continued

PFAS. Per- and polyfluoroalkyl substances, a group of synthetic chemicals that contain fluorinated carbon atoms, are used in consumer and industrial products, are highly resistant to breakdown, and accumulate in soil and water as environmental pollutants.

Power Conversion Technology. The design, process, and equipment by which an energy resource is converted into useful energy

Pre-determination Application. A request submitted to the Department for the purpose of obtaining a preliminary determination of eligibility for a Compensation Rate Adder.

Pre-determination Letter. A determination by the Department that a project likely satisfies the eligibility requirements for a Compensation Rate Adder. Such determination is contingent upon the project demonstrating compliance with all eligibility criteria pursuant to 225 CMR 28.00 at the time of receiving a Final Statement of Qualification.

Pre-paid Solar Lease. A Solar Contract for a Third-party Owned STGU where the Customer of Record has paid not less than 50% of the value of the STGU prior to installation of the STGU.

Preliminary Statement of Qualification. A document issued by the Department that qualifies an STGU under 225 CMR 28.00. Such qualification is contingent upon the STGU reaching Mechanical Completion within its Reservation Period and receiving a Final Statement of Qualification.

Previously Developed. Areas degraded by impervious surfaces from existing structures or pavement, absence of topsoil, junkyards, golf courses, managed turfgrass, abandoned dumping yards, or other degraded areas as determined by the Department.

Primary Installer. The primary entity responsible for an STGU's installation. The Primary Installer shall be a professional contractor licensed to conduct business in Massachusetts. Any electrical work performed on the installation shall be conducted by an electrician holding a valid and current license in Massachusetts. The Primary Installer is directly responsible for turnkey project management and installation work, although the installation work may be sub-contracted. Homeowners or other individuals are not eligible to be a Primary Installer unless they are a Massachusetts licensed electrician completing an installation on their own property.

Priority Habitat. Priority Habitat as defined in 321 CMR 10.02: *Definitions*.

Program Year. The period of January 1st to December 31st associated with a given Annual Capacity Block and associated set of compensation rates established pursuant to 225 CMR 28.05(1).

Project Footprint. The acreage of land encompassed by an STGU's solar photovoltaic modules, plus any land significantly impacted by construction of the STGU, including, but not limited to, land altered of its natural vegetative composition and structure for clearing, grading, and roadways.

Public Entity STGU. An STGU greater than 25 kW that provides all of its generation output in the form of electricity or Bill Credits to a Municipality or Other Governmental entity and meets the eligibility requirements of 225 CMR 28.07(5)(c)4.

Raised Racking STGU. An STGU with 100% of the nameplate capacity of the solar photovoltaic modules used for generating power installed on a raised structure on a building that allows for the continued use of the area beneath for a secondary purpose.

Renewable Generation. Renewable Generation, as defined in 225 CMR 14.02: *Definitions*.

Renewable Generation Attribute. A Renewable Generation Attribute, as defined in 225 CMR 14.02: *Definitions*.

28.02: continued

Reservation Period. The period of time during which an STGU is entitled to a Statement of Qualification reservation prior to the STGU's receipt of notice of authorization to interconnect from the Distribution Company and issuance of a Final Statement of Qualification by the Department.

RPS Class I Renewable Generation. RPS Class I Renewable Generation, as defined in 225 CMR 14.02: *Definitions*.

RPS Class I Renewable Generation Attribute. A RPS Class I Renewable Generation Attribute, as defined in 225 CMR 14.02: *Definitions*.

RPS Class I Renewable Generation Unit. A RPS Class I Renewable Generation Unit, as defined in 225 CMR 14.02: *Definitions*.

SMART Tariff. The SMART Provision tariff for each individual Distribution Company as reviewed and approved by the DPU, as may be amended from time to time.

Solar Contract. An executed agreement between a solar installer and the Owner or Customer of Record identifying ownership rights to an STGU and/or some payment mechanism for the electricity generated by the STGU.

Solar Program Administrator. The program administrator for 225 CMR 28.00 that is selected pursuant to 225 CMR 28.15.

Solar Tariff Generation Unit (STGU). A Generation Unit that generates electricity using solar photovoltaic technology and meets all of the eligibility criteria set forth in 225 CMR 28.07.

Standalone STGU. An STGU that serves no associated On-site Load other than parasitic or station load utilized to operate the Generation Unit or coupled Energy Storage System.

State Qualifying Facility. Means a Qualifying Facility, as defined by the DPU in 220 CMR 8.02: *Definitions*.

Statement of Qualification. A document issued by the Department that qualifies an STGU under 225 CMR 28.00.

Statement of Qualification Application. An application to qualify an STGU submitted pursuant to 225 CMR 28.06.

Summer Peak Period. The summer Seasonal Peak Period as detailed in 225 CMR 21.05.

Third-party Owner. An entity that has a turnkey contract involving a power purchase agreement, lease, or other arrangements with a Customer of Record, but is the Owner of the STGU. The Third-party Owner may have a separate contract with another entity for the actual installation work.

Waitlist. The list of Statement of Qualification Applications waiting to be qualified for a given Program Year pursuant to 225 CMR 28.06(4).

Winter Peak Period. The winter Seasonal Peak Period as detailed in 225 CMR 21.05.

28.03: Administration

225 CMR 28.00 shall be administered by the Department.

28.04: Applicability

225 CMR 28.00 applies to Distribution Companies and to the Owners, Authorized Agents, Primary Installers of STGUs.

28.05: Annual Adjustable Block and Rate Structure

(1) Annual SMART Program Assessment. The Department shall conduct an annual assessment of the SMART Program. The Department may contract with a third-party vendor to assist in this assessment, Based on this assessment, the Department shall set the following Program Year's Capacity Block, Capacity Allocation, Annual Capacity Set Asides, Base Compensation Rates, Compensation Rate Adders, and Flat Incentive Rate for 25 kW or less STGUs as detailed in 225 CMR 28.05(3) through (7).

(a) Factors Considered in Setting Program Year's Block and Rate Structure. The Department shall consider the following factors as part of its Annual SMART Program Assessment:

1. the Commonwealth's progress toward achieving the statewide greenhouse gas emissions limits and sublimits established pursuant to M.G.L. c. 21N;
2. historic program participation rates, including participation by Low Income Customers;
3. current and forecasted ratepayer cost impacts;
4. regional and national solar costs;
5. material and development costs for solar; and
6. the Commonwealth's land use and environmental protection goals.

(b) Annual Survey of Solar Development Costs. As part of the Annual SMART Program Assessment, the Department shall issue a survey to stakeholders pertaining to solar development costs. The survey will cover solar development costs in the Commonwealth including, but not limited to, financing models, permitting and interconnection costs, development timelines, capital costs, operating expenses, or other factors as determined by the Department. The Department will consider the results of the survey in determining the levelized revenue requirement for different STGU configurations and other considerations relevant to the Annual SMART Program Assessment.

(2) Annual Program Year Report. Starting for Program Year 2026, and annually thereafter, no later than December 1st or the following Business Day, the Department shall publish a report on the Department's website that contains the results of the Annual SMART Program Assessment. The report shall contain the annual determinations detailed in 225 CMR 28.05(3) through (7).

(a) Release of Draft Report for Public Comment. Annually, no later than October 1st, or the following Business Day, the Department shall publish a draft Annual Program Year Report to the Department's website and provide notice and a 30-day public comment period.

(b) First Program Year. For Program Year 2025, the Department shall publish the first Program Year Report by September 1, 2025, for the period of October 15, 2025, to December 31, 2025. Program Year 2025's Annual Program Year Report shall be based upon the Evaluation of Solar Costs and Needed Incentive Levels across Sectors from 2025-2030 published to the Department's website on July 10, 2024. The report shall contain the annual determinations detailed in 225 CMR 28.05(3) through (7).

(3) Annual Capacity Block Determination. Annually, the Department shall determine the available Annual Capacity Block for the Program Year.

(a) First Program Year. For Program Year 2025, the Annual Capacity Block shall be 900 MW.

(b) Unused Program Year Capacity. Any unused capacity for a given Program Year shall not roll into the following year's Annual Capacity Block.

(c) Determination of Capped Capacity for Certain Project Types. STGUs less than or equal to 25 kW and Behind-the-meter STGUs greater than 25 kW and less than or equal to 250 kW shall not count toward the Annual Capacity Block, unless based on the Annual SMART Program Assessment, the Department opts to impose a capacity set aside for such STGUs for the next Program Year. The Department shall include any proposed set aside in its draft Annual Program Year Report.

(4) Annual Capacity Allocation. Annually, the Department shall determine the allocation of a Program Year's Annual Capacity for each Distribution Company. Each Distribution Company shall be allocated a minimum of 1% of the Annual Capacity Block. The remaining capacity available shall be allocated proportional to the total electric load served to Massachusetts End-use Customers by the Distribution Company, provided that a Program Year’s Annual Capacity for Fitchburg Gas and Electric Light Company doing business as Unitil shall not exceed 10 MW.

28.05: continued

(5) Annual Capacity Set Asides. For each Annual Capacity Block, the Department shall set aside capacity for the below listed STGU types. The annual capacity set aside for each STGU type shall not be less than the percentages listed in the below table.

Set-aside Category	Minimum % of Program Year Capacity
• Standalone STGUs greater than 25 kW and less than or equal to 250 kW; and • STGUs greater than 250 kW and less than or equal to 500 kW	10%
Low Income Property Generation Units	10%
Community Shared Solar Generation Units	15%

(a) Additional Set Aside Categories. The Department may set aside capacity for additional STGU types, including for STGUs less than or equal to 25 kW and Behind-the-meter STGUs greater than 25 kW and less than or equal to 250 kW, as it deems necessary.

(b) Capacity Reallocations. Set-aside capacity shall not be reallocated.

(c) Set Aside Capacity Assignments, If an STGU qualifies for more than one set aside category, the Department shall count the STGU's capacity toward the applicable Compensation Rate Adder set-aside category. If that Program Year's set-aside category is full, then, if applicable, the capacity shall count towards the set aside for STGUs greater than 250 kW and less than or equal to 500 kW. If that Program Year's set-aside category is full, the capacity shall count towards any applicable set aside categories established pursuant to 225 CMR 28.05(5)(a). If all applicable set-aside categories have already been filled for the Program Year, the capacity shall not count towards any set aside categories.

(6) Annual Calculation of Base Compensation Rates and Compensation Rate Adders. The Department shall determine a Program Year's Base Compensation Rates and Compensation Rate Adders based on the Annual SMART Program Assessment and the methodology identified in the Department's *Guideline Regarding the Annual Assessment and Compensation Rates*. Any increase or decrease to the value of any Base Compensation Rate or Compensation Rate Adder shall not exceed 20% of the value for the same category of Base Compensation Rate or Compensation Rate Adder from the prior Program Year or one cent per kWh, whichever is greater.

(7) Annual Calculation of Flat Incentive Rate for Less than or Equal to 25 kW STGUs. Annually, the Department shall determine the Flat Incentive Rate for STGUs with a capacity less than or equal to 25 kW. The Flat Incentive Rate shall be based on the Annual SMART Program Assessment and the methodology identified in the Department's *Guideline Regarding the Annual Assessment and Compensation Rates*.

(a) Minimum Incentive Payment. The incentive payment for an STGU with a capacity less than or equal to 25 kW shall not be less than $0.01/kWh.

(b) Adder for Low Income STGUs. Annually, the Department shall determine an additional adder amount to be added to the Flat Incentive Rate determined pursuant to 225 CMR 28.05(7) for STGUs less than or equal to 25 kW that qualify as Low Income STGUs pursuant to 225 CMR 28.07(5)(c)2.

(c) Flat Incentive Rate and Adder Change Cap. Any increase or decrease to the value of the Flat Incentive Rate or adder for Low Income STGUs shall not exceed 20% of the value from the prior Program Year or one cent per kWh, whichever is greater.

28.06: Qualification Process for STGUs

(1) Statement of Qualification Application. A Statement of Qualification Application shall be submitted to the Solar Program Administrator by the Applicant. The Applicant shall use the most current forms and associated instructions provided by the Department, and shall include all information, documentation, and assurances required by such forms and instructions. The application shall contain all applicable documentation detailed below.

(a) Documentation for Applicable Eligibility Provisions. All solar photovoltaic Generation Units shall provide documentation sufficient to demonstrate that they meet all applicable eligibility provisions under 225 CMR 28.07 and documentation requirements under 225 CMR 28.00.

(b) Additional Required Documentation for STGUs 25 kW or Less. A solar photovoltaic Generation Unit 25 kW or less shall submit the following documentation as part of its Statement of Qualification Application:

1. Customer Disclosure Form, A customer disclosure form developed pursuant to 225 CMR 28.12(5) signed with a wet signature or signature using an electronic signature software by the Owner. If the solar photovoltaic Generation Unit Owner is a Third-party Owner, the form shall be signed with a wet signature or an electronic signature software by the Customer of Record.

2. Solar Contract. The Solar Contract for the solar photovoltaic Generation Unit.

3. Customer Utility Bill. A utility bill for the Customer of Record provided by the Distribution Company within 12 months prior to the Solar Contract execution date.

a. A solar photovoltaic Generation Unit shall be exempt from 225 CMR 28.06(1)(b)3. if the Applicant can demonstrate to the Department's satisfaction that the solar photovoltaic Generation Unit is sited on new construction.

b. The Applicant shall instead provide alternative documentation of the annual load estimate for the Customer of Record. If the solar photovoltaic Generation Unit is a Third-party Owned Generation Unit, the Applicant shall also provide alternative documentation to demonstrate to the Department's satisfaction compliance with the savings requirement under 225 CMR 28.07(5)(a).

(c) Additional Required Documentation for STGUs Greater than 25 kW. A solar photovoltaic Generation Unit greater than 25 kW shall provide evidence of the following in order to obtain a Preliminary Statement of Qualification:

1. an executed Interconnection Service Agreement, as tendered by the Distribution Company;

2. a sufficient interest in real estate or other contractual right to construct the solar photovoltaic Generation Unit at the location specified in the Interconnection Service Agreement; and

3. all necessary governmental permits and approvals to construct the solar photovoltaic Generation Unit with the exception of ministerial permits, such as a building permit, and notwithstanding any pending legal challenge(s) to one or more permits or approvals initiated by a party other than the Applicant, Owner, or Customer of Record.

(d) Additional Required Documentation for STGUs 1,000 kW or Less. The Owner or Applicant of a solar photovoltaic Generation Unit exempt under 18 CFR § 292.203(d) from the filing requirements under 18 CFR § 292.203(a)(3) for certification as a qualifying facility shall attest to such exemption in its Statement of Qualification Application.

(e) Application Review Procedures. The Solar Program Administrator will notify the Applicant when the Statement of Qualification Application is administratively complete or if additional information is required. All Preliminary Statement of Qualification Applications may be subject to review by the Department and the Solar Program Administrator and shall be processed in no more than 45 Business Days by each party.

1. Public Comment. The Department may, at its sole discretion, provide an opportunity for public comment on any Statement of Qualification Application. The Department may extend the application review timeline to account for the public comment period.

2. Mitigation Fee Review. If a solar photovoltaic Generation Unit has a pending request with the Department pursuant to 225 CMR 28.09(2)(b), the Statement of Qualification Application shall not be deemed administratively complete under 225 CMR 28.06(1)(e) until the Department has issued a determination.

3. Applications Subject to Site Visits. If a solar photovoltaic Generation Unit is subject to a site visit from the Environmental Monitor pursuant to 225 CMR 28.08(6)(b), the Department may extend the Statement of Qualification Application review time under 225 CMR 28.06(1)(e), subject to the availability of the Environmental Monitor.

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(2) Issuance or Non-issuance of a Preliminary Statement of Qualification. If the Department finds that a solar photovoltaic Generation Unit meets the applicable eligibility requirements of 225 CMR 28.00, the Solar Program Administrator will issue a Preliminary Statement of Qualification for the STGU.

(a) Preliminary Statement of Qualification. The Preliminary Statement of Qualification shall contain the Base Compensation Rate and the preliminary Compensation Rate Adders applicable to the STGU. It shall also include the Reservation Period during which the STGU is required to achieve Mechanical Completion. If the STGU does not achieve Mechanical Completion before the expiration of the Reservation Period, the Department shall revoke its Preliminary Statement of Qualification. An STGU may add or remove Compensation Rate Adders during its Reservation Period.

1. Reservation Period. The length of an STGU's Reservation Period shall be not less than 24 months. An STGU may apply for an extension of the Reservation Period pursuant to the applicable procedures of the Department's *Statement of Qualification Reservation Period Guideline*.

2. Restrictions or Conditions. The Preliminary Statement of Qualification may include reasonable restrictions or conditions the Department deems necessary to ensure compliance with 225 CMR 28.00.

(b) Non-Issuance of a Preliminary Statement of Qualification. If a solar photovoltaic Generation Unit does not meet the requirements of 225 CMR 28.00, the Solar Program Administrator shall provide written notice to the Applicant, including the reasons for such finding.

(c) Withdrawal of a Statement of Qualification Application. If an Applicant submits a Statement of Qualification Application for a solar photovoltaic Generation Unit and chooses to withdraw the application, the Applicant shall not be eligible to submit a Statement of Qualification Application for the Generation Unit for the following Program Year. A solar photovoltaic Generation Unit shall be exempt from this requirement if it can demonstrate to the Department's satisfaction that it should be granted an exception for good cause.

(3) Issuance or Non-issuance of a Final Statement of Qualification. An STGU that has received a Preliminary Statement of Qualification and is still within its Reservation Period may submit a claim for a Final Statement of Qualification once it has received authorization to interconnect.

(a) Required Documentation. The Final Statement of Qualification claim shall include a copy of the authorization to interconnect issued by the applicable Distribution Company, financial payment documentation, and any remaining documentation to satisfy all applicable eligibility criteria pursuant to 225 CMR 28.07.

(b) Final Statement of Qualification. The Final Statement of Qualification shall contain the final Base Compensation Rate and Compensation Rate Adders applicable to the STGU, the length of the STGU's tariff term, and the STGU's Incentive Payment Effective Date.

(c) Non-issuance of a Final Statement of Qualification, If an STGU does not meet the requirements of 225 CMR 28.00, the Solar Program Administrator shall provide written notice to the Applicant including the reasons for such finding.

(4) Statement of Qualification Applications for Program Year Capacity. Statement of Qualification Applications for solar photovoltaic Generation Units applying for a portion of a Program Year's Annual Capacity Block shall be reviewed using the following process.

(a) The Department shall begin accepting Statement of Qualification Applications for a Program Year on January 1st, or the following Business Day, of the Program Year. For Program Year 2025, the Department shall begin accepting Statement of Qualification Applications on October 15, 2025.

(b) The Department shall accept applications for a period of ten Business Days during which it shall sequence all applications for Generation Units by Interconnection Service Agreement Application Date. The Department shall allocate capacity according to this sequence.

(c) Following the initial ten Business Day application period, all capacity will be reserved on a first-come first-served basis by date of Statement of Qualification Application.

(d) If all available capacity in the Program Year is reserved, the Department shall establish a Waitlist, on a first-come first-served basis, which will be posted to the Department's website and updated weekly.

28.06: continued

(e) If a Statement of Qualification Application for a Generation Unit is withdrawn by the Applicant or denied by the Department, the Department shall offer the capacity previously reserved by that Generation Unit to the first eligible Generation Unit on the Waitlist. If the capacity available is less than the capacity of the first eligible Waitlist Generation Unit, the capacity will not be allocated until there is sufficient capacity available to accommodate the Generation Unit.

(f) When a Generation Unit is selected off the Waitlist, the Applicant will be given ten Business Days to accept or decline the selection. If the Applicant declines the selection or does not respond within ten Business Days, the Generation Unit will be removed from the Waitlist and the next eligible Generation Unit on the Waitlist will be selected, subject to available capacity.

(g) At the beginning of a new Program Year, the Department shall first allocate capacity to Generation Units on the Waitlist before processing applications submitted during the ten Business Day application period established pursuant to 225 CMR 28.06(4)(b).

(5) Statement of Qualification Applications for Uncapped Capacity. The Department shall begin accepting Statement of Qualification Applications for STGUs that do not count towards the Annual Capacity Block pursuant to 225 CMR 28.05(3)(c) on January 1st, or the following Business Day, of the Program Year.

28.07: Program Eligibility

(1) RPS Class I Eligibility. For each MWh of electricity generation produced by an STGU, it will be eligible to generate GIS Certificates encoded as RPS Class I Renewable Generation Attributes. These GIS Certificates and any other GIS Certificates associated with Environmental Attributes other than RPS Class I Renewable Generation Attributes, shall be transferred directly to an account owned by the Distribution Company in whose service territory the STGU is located upon issuance by NEPOOL GIS. The Distribution Company shall register the STGU with NEPOOL GIS and report the associated NEPOOL GIS Asset ID for each STGU to the Department no later than the date it issues an authorization to interconnect for an STGU.

(2) RPS Effective Date. The RPS Effective Date shall be the earliest date on or after the Commercial Operation Date on which electrical energy output of an STGU can result in the creation of RPS Class I Renewable Generation Attributes.

(3) SMART Program Effective Date(s). STGUs that receive a Final Statement of Qualification pursuant to 225 CMR 28.06(3) will be eligible to begin receiving incentive payments upon the effective date of the SMART Tariffs, as approved by the DPU. Revisions to the SMART Program that require amendments to the SMART Tariffs shall take effect upon review and approval of revised SMART Tariffs by the DPU.

(4) General Eligibility Criteria for STGUs.

(a) Technology, Capacity, and Interconnection Requirement. An STGU shall meet the following requirements:

1. use solar photovoltaic technology;
2. have a capacity of 5,000 kW or less; and
3. be interconnected with the electric grid in the Commonwealth of Massachusetts.

(b) Active Statements of Qualification. To submit a Statement of Qualification Application under 225 CMR 28.06, a solar photovoltaic Generation Unit shall not have an active Statement of Qualification as defined under 225 CMR 20.00: *Solar Massachusetts Renewable Target (Smart) Program* or 225 CMR 14.00: *Renewable Energy Portfolio Standard – Class* I.

1. Construction Date Requirement for Program Years 2025 and 2026. Applicants submitting a Statement of Qualification Application in Program Years 2025, 2026, and thereafter upon request by the Department, shall demonstrate to the Department's satisfaction that on-site physical work of a significant nature had not begun on the solar photovoltaic Generation Unit prior to June 20, 2025. On-site physical work of a significant nature shall include, but not be limited to, the continuous installation of racks or other structures to affix photovoltaic panels, collectors, or solar cells to a site.

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2. Exception to Construction Date Requirement for Low Income Properties. An STGU located on a Low Income Property that submits a Statement of Qualification Application shall not be subject to the requirements of 225 CMR 28.07(4)(b). For Program Years 2025, 2026, and thereafter, upon request by the Department, an STGU located on a Low Income Property shall demonstrate to the Department's satisfaction that on-site physical work of a significant nature has not begun on the solar photovoltaic Generation Unit prior to July 1, 2024. On-site physical work of a significant nature shall include, but not be limited to, the continuous installation of racks or other structures to affix photovoltaic panels, collectors, or solar cells to a site.

(c) Distribution Company Owned Solar Photovoltaic Generation Units. Any solar photovoltaic Generation Unit that is owned by a Distribution Company and was approved to be constructed by the DPU, pursuant to M.G.L. c. 164, § 1A, shall not be eligible to qualify as an STGU under 225 CMR 28.00.

(d) Public Utility Regulatory Policies Act of 1978 Requirements. An STGU with a maximum net power production capacity of greater than 1,000 kW shall obtain federal qualifying facility status from the Federal Energy Regulatory Commission pursuant to 18 C.F.R. § 292.207(a) and (b).

(e) Energy Storage Requirement. All STGUs greater than 1,000 kW that do not qualify for a Locational Compensation Rate Adder shall be co-located with an Energy Storage System that meets the eligibility requirements of 225 CMR 28.07(5)(e)1.

1. Exceptions to Energy Storage Requirement for Good Cause. An STGU shall be exempt from the requirement of 225 CMR 28.07(4)(e) if it can demonstrate to the Department's satisfaction that it should be granted an exception for good cause.

2. Department Review of Exception Requests. The Department will review applications for exceptions under 225 CMR 28.07(4)(e) on a case by case basis.

(5) Special Eligibility Criteria for STGUs.

(a) Residential Third-party Owned 25 kW or Less STGUs.

1. Savings Requirement . Customers of Record on a residential rate class entering into an agreement for Third-party Owned STGUs shall receive on the first year of their Solar Contract a per-kilowatt-hour savings equivalent to 10% or greater of the Value of Energy for Net-metered Generation Units on an R-1 rate class applicable to the Customer of Record's service territory, calculated pursuant to 225 CMR 28.14(2)(a), in effect at the time of Solar Contract execution. At no point during the term of the Solar Contract shall the per-kilowatt-hour rate charged to the Customer of Record for the output of the Third-party Owned STGU exceed the per-kilowatt-hour rate the Customer of Record is charged by the Distribution Company for the same billing cycle, inclusive of any low or moderate income discounts applied to the Customer of Record's bill by the Distribution Company. Required documentation for demonstrating compliance with the savings requirement is detailed further in the Department's *Guideline on Consumer Protection*. If the Customer of Record for the STGU has a Pre-Paid Solar Lease, the Applicant shall provide documentation to the Department's satisfaction that during the term of the Solar Contract, the Customer of Record shall receive comparable benefits to the 10% savings requirement, as detailed further in the *Guideline on Consumer Protection*.

2. Maximum Escalator Rate. The escalator rate in a Solar Contract with a Customer of Record on a residential rate class may not exceed 3% per year.

(b) Locational Compensation Rate Adders.

1. Brownfield and Landfill STGUs. In order to qualify as a Brownfield or Landfill STGU, an STGU shall be sited on locations that qualify as a Brownfield or Eligible Landfill.

a. Exception to Executed ISA Requirement. STGUs applying as a Brownfield or Landfill STGU shall not be subject to the requirements in 225 CMR 28.06(1)(c)1.

b. Exception to 5,000 kW Requirement. STGUs applying as a Brownfield or Landfill shall not be subject to 225 CMR 28.07(4)(a)2. and shall instead be permitted to be sized less than or equal to 10,000 kW. Such systems shall receive the Base Compensation Rate for 1,000 - 5,000 kW STGUs.

c. Eligibility Determinations. Brownfield STGUs shall obtain a Pre-Determination Letter from the Department, pursuant to the process outlined in the Department's *Guideline Regarding the Definition of Brownfield*. All final determinations regarding the eligibility of such facilities will be made by the Department, in consultation with MassDEP.

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2. Canopy STGUs. In order to qualify as a Canopy STGU, 100% of the nameplate capacity of the STGU shall be located on a raised structure with not less than 75% of the nameplate capacity of the solar photovoltaic modules allowing for the regular and continued use of the area beneath for a secondary function that aligns with the routine operational activities of the site, including, but not limited to, parking, pedestrian walkway, transportation infrastructure, storage of equipment, or canal, provided that such secondary function may not be agricultural production.

3. Dual-use Agricultural STGUs. In order to qualify as a Dual-use Agricultural STGU, an STGU shall meet the following criteria:

a. Project Design Requirements.

i. The STGU will not impede the continued use of the land beneath the solar photovoltaic modules for agricultural purposes;

ii. the STGU is designed to optimize a balance between the generation of electricity and the agricultural productive capacity of the soils beneath; and

iii. the STGU allows for continuous agricultural activities underneath the solar photovoltaic modules, with height enough for labor or machinery as it relates to tilling, cultivating, soil amendments, harvesting, and grazing animals.

b. Project Specification Requirements.

i. Panel Height Requirements. The panels of Dual-use Agricultural STGUs shall meet the following height requirements.

(i) Fixed Tilt STGUs. For fixed tilt STGUs, the minimum height of the lowest panel point shall be eight feet above ground.

(ii) Tracking STGUs. For tracking STGUs, the minimum height of the panel at its horizontal position shall be ten feet above ground. This minimum height may be reduced to eight feet if the maximum sunlight reduction requirement under 225 CMR 28.07(5)(b)3.b.ii. is still met in all tilt positions and the farm operator has functional control of the tracker control system to accommodate agricultural activities.

ii. Sunlight Requirements. A Dual-use Agricultural STGU shall propose a sunlight reduction plan for the STGU based upon the compatibility of the STGU with the proposed agricultural crops and productivity. The plan shall utilize the best available information as indicators, including, but not limited to, photosynthetic active radiation and light saturation data and qualitative information. The maximum sunlight reduction from a Dual-use Agricultural STGU's panels on every square foot of land directly beneath, behind, and in areas adjacent to and within the STGU's design shall not be more than 50% of baseline field conditions during the Growing Season Hours, unless the Applicant can demonstrate that an exception should be granted pursuant to 225 CMR 28.07(5)(b)3.b.iv.

iii. Maximum Direct Current (DC) Rating. The maximum DC capacity rating of a Dual-use Agricultural STGU shall be no more than twice the AC capacity rating of the STGU and shall not exceed 7,500 kW DC.

iv. Exception from Project Specification Requirements. An Applicant may request that the Department, in consultation with MDAR, issue an exception from one or more of the Project Specification Requirements in 225 CMR 28.07(5)(b)3.b.i. through iii. Required documentation for an exception request is detailed further in the Department's *Guideline Regarding the Definition of Dual-use Agricultural Solar Tariff Generation Units*.

c. Eligible Farmland. A Dual-use Agricultural STGU shall be sited on Land in Agricultural Use, land classified as Important Agricultural Farmland, Fallow Farmland, or on Newly Created Farmland.

i. Newly Created Farmland. To be deemed Newly Created Farmland, the Applicant shall demonstrate the viability of agricultural production at the time a Pre-determination Application is submitted to the Department and MDAR and meet the below criteria.

(i) Clearcutting Prohibition. No Newly Created Farmland Project Footprint shall be a result of the clearing or conversion of forest land that does not qualify as permissible tree clearing. Permissible tree clearing may include routine maintenance of existing field boundaries or roads, removing isolated trees in an existing cleared space, or other instances of routine agricultural activity as determined by the Department, in consultation with MDAR.

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(ii) Soil Test Requirement. For Newly Created Farmland, Applicants shall provide soil tests from the UMass Amherst Soils Testing Laboratory or equivalent, demonstrating pH and macronutrients are within optimum ranges for the crops proposed to be grown.

d. Agricultural Plan. Applicants shall provide an agricultural plan detailing the agricultural activities to take place on the project site. A template for the agricultural plan shall be provided in the Pre-determination Application.

i. Transitioning Greater than Ten Acres of Farmland. If, as part of its Agricultural Plan, a Dual-use Agricultural STGU on Important Agricultural Farmland is proposing to transition greater than ten acres of farmland to grazing or hay production that has not been used for those agricultural purposes during any of the five crop years prior to the Pre-determination Application, the agricultural plan shall demonstrate that there will be concurrent growing of Comparable Crops to the existing operation for at least the first five years of the STGU operation, as determined by the Department, in consultation with MDAR, and detailed further in the Department's *Guideline Regarding the Definition of Dual-use Agricultural Solar Tariff Generation Units*.

ii. New Commodities. The agricultural plan may include new commodities in the place of Comparable Crops provided that the plan includes the farmer's previous experience with or a working knowledge of the new commodity, an estimate or other information detailing the market viability of the new commodity, or a comparison of the economic value of the new commodity relative to current production.

e. Eligibility Determinations. Dual-use Agricultural STGUs shall obtain a Pre-determination Letter from the Department, pursuant to the process outlined in the Department's *Guideline Regarding the Definition of Dual-use Agricultural Solar Tariff Generation Units*. All final determinations regarding the eligibility of such facilities will be made by the Department, in consultation with MDAR.

4. Floating STGUs. In order to qualify as a Floating STGU, an STGU shall meet the following criteria:

a. Project Design Requirements.

i. the STGU will not interfere with the continued use of the water body for its designated purpose;

ii. the racking system shall be made of materials that have been tested for water quality impact and have been shown to have no or minimal impact;

iii. the STGU shall use equipment that has been certified by the manufacturer to not contain PFAS;

iv. the STGU will not be permitted in wetland resource areas and natural waterbodies such as salt ponds, or freshwater lakes and great ponds, as defined in M.G.L. c. 91;

v. the ratio of the total surface area covered by the Floating STGU divided by the total surface area of the water body under standard conditions shall not exceed 50%;

vi. the STGU shall be designed to minimize potential interaction with native species;

vii. the STGU is a floating structure allowing for continued use and maintenance of the water body while generating electricity; and

viii. the Applicant shall demonstrate to the Department's satisfaction that the water body was not constructed for the purpose of obtaining eligibility as a Floating STGU.

b. Eligibility Determinations. Floating STGUs shall obtain a Pre-determination Letter from the Department, pursuant to the process outlined in the Department's *Guideline Regarding the Definition of Floating Solar Tariff Generation Units*. All final determinations regarding the eligibility of such facilities will be made by the Department, in consultation with MassDEP, MassDFG, or MDAR, as necessary.

c. Capacity Limitation. The Department shall not qualify more than 40 MW of Floating STGU capacity under 225 CMR 28.00.

d. Interconnection Application Date Requirement. Floating STGUs shall demonstrate that an application for an Interconnection Service Agreement was submitted to the Distribution Company prior to June 20, 2025.

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(c) Eligibility Criteria for Off-taker Based Compensation Rate Adders.

1. Community Shared STGUs. In order to qualify as a Community Shared STGU, an STGU shall meet the following criteria.

a. Low Income Customers Requirement. Community Shared STGUs shall allocate no less than 40% of all Bill Credits generated by the STGU to Low Income Customers or allocate no less than 15% of all Bill Credits generated to Low Income Customers at no cost to the Low Income Customers.

i. Low Income Customers Requirement for Alternative Community Shared Solar Programs, Municipal Load Aggregations. STGUs qualifying through a municipal load aggregation program established pursuant to M.G.L. c. 164, § 134 shall allocate 100% of the generation output of the STGU, in the form of electricity, energy cost savings, or Bill Credits to Low Income Customers.

ii. Low Income Customers Requirement for Alternative Community Shared Solar Programs, Distribution Companies. STGUs qualifying through a community shared solar program established and administered by a Distribution Company shall allocate 100% of the generation output of the STGU, in the form of electricity, energy cost savings, or Bill Credits generated to Low Income Customers.

b. Guaranteed Discount Requirement. Low Income Customers shall receive not less than a 40% discount on the value of allocated Bill Credits from the Community Shared STGU to the Low Income Customer. All other customers shall receive not less than a 20% discount on the value of allocated Bill Credits from the Community Shared STGU to the End-use Customer. This requirement shall not apply to End-use Customers on a non-residential rate class.

i. Guaranteed Discount Requirement for Alternative Community Shared Solar Programs, Municipal Load Aggregation Programs. STGUs qualifying through a municipal load aggregation program established pursuant to M.G.L. c. 164, § 134 may satisfy 225 CMR 28.07(5)(c)1.b. by allocating to participating Low Income Customers in the form of electricity, energy cost savings, or Bill Credits an aggregate annual value equal to the product of:

(i) 30% of the average annual value of an Alternative On-bill Credit for the rate class and Distribution Company of the STGU at the date of the STGU's Statement of Qualification Application and

(ii) the total annual kWh generated by the STGU. The value of the guaranteed discount requirement shall be calculated through the methodology outlined in the *Guideline Regarding Community Shared Solar Tariff Generation Units* and shall not exceed the value of the STGU's Community Shared Compensation Rate Adder.

ii. Guaranteed Discount Requirement for Alternative Community Shared Solar Programs, Distribution Companies. STGUs qualifying through a community shared solar program established and administered by a Distribution Company may satisfy 225 CMR 28.07(5)(c)1.b. by allocating to participating Low Income Customers in the form of electricity, energy cost savings, or Bill Credits an aggregate annual value equal to the product of:

(i) 30% of the average annual value of an Alternative On-bill Credit for the rate class and Distribution Company of the STGU at the date of the STGU's Statement of Qualification Application and

(ii) the total annual kWh generated by the STGU. The value of the guaranteed discount requirement shall be calculated through the methodology outlined in the *Guideline Regarding Community Shared Solar Tariff Generation Units* and shall not exceed the value of the STGU's Community Shared Compensation Rate Adder.

c. Customer Disclosure Form Requirement. The Owner or Authorized Agent of a Community Shared STGU shall submit a copy of the customer disclosure form developed pursuant to 225 CMR 28.12(4) completed by each Customer of Record receiving electricity or Bill Credits generated by the Community Shared STGU as part of its Statement of Qualification Application. The customer disclosure forms shall be signed with a wet signature or an electronic signature software by the Customer of Record.

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i. New Customers of Record. The Community Shared STGU Owner or Authorized Agent shall provide updated customer disclosure forms for any new Customers of Record that receive electricity or Bill Credits generated by the Community Shared STGU after it is granted its Statement of Qualification. Any updated customer disclosure forms shall be submitted to the Department by no later than December 31st of the calendar year that they were signed.

ii. Customer Disclosure Form Exceptions.

(i) Exception for Alternative Community Shared Solar Programs. A Community Shared STGU may be exempt from the customer disclosure form requirements in 225 CMR 28.07(5)(c)1.c. if the Applicant can demonstrate to the Department's satisfaction that the Customers of Record are enrolled without a customer contract. In these instances, the Applicant may be required to demonstrate that the Customer(s) of Record have received an explanation of benefits, pursuant to the documentation outlined in the *Guideline Regarding Community Shared Solar Tariff Generation Units*, or further Department guidance.

(ii) Exception for Anchor Off-takers. Participants receiving Bill Credits in excess of those produced annually by 25 kW of nameplate capacity shall not be subject to 225 CMR 28.07(5)(c)1.c.

d. Bill Credits.

i. Allocation Requirement. Community Shared STGUs shall demonstrate to the Department's satisfaction that at least 90% of Bill Credits or electricity, or in the case of an Alternative Community Shared Solar Program, energy cost savings, have been assigned to valid and active utility accounts by the Incentive Payment Effective Date.

ii. Bill Credit Requirements for Alternative Community Shared Solar Programs. Electricity. energy cost savings, or Bill Credits may be allocated through a municipal load aggregation program established pursuant to M.G.L. c. 164, § 134, or through a community shared solar program established and administered by a Distribution Company. Community Shared STGUs that qualify through such eligible programs shall submit satisfactory documentation to the Department as detailed in the Department's *Guideline Regarding Community Shared Solar Tariff Generation Units*. Community Shared STGUs that qualify through such eligible programs shall use an enrollment process consistent with M.G.L. c. 164, § 134 and any requirements established by the DPU.

iii. Bill Credit Restriction for Anchor Off-takers. For Community Shared STGUs 100 kW or greater, no more than two participants may receive Bill Credits in excess of those produced annually by 25 kW of nameplate capacity, and the combined share of said participants' capacity shall not exceed 50% of the total capacity of the STGU. STGUs subject to this requirement must demonstrate that no individual or distinct legal entity will receive bill credits or electricity in an amount that exceeds the applicable limitations noted in 225 CMR 28.07(5)(c)1.d.iii., even if the credits are allocated across multiple utility accounts.

2. Low Income STGUs. In order to qualify as a Low Income STGU, an STGU shall meet the following criteria.

a. Size Requirement. Low Income STGUs shall be 25 kW or less.

b. Low Income Off-takers Requirement. Low Income STGUs shall satisfy at least one of the following criteria:

i. provide 100% of the annual generation output as electricity or Bill Credits to a single Low Income Customer and be located on that Low Income Customer's residence;

ii. provide at least 15% of the annual generation output as electricity or Bill Credits to one Low Income Customer at no cost to the Low Income Customer;

iii. provide at least 15% of the annual generation output as electricity or Bill Credits to two or three Low Income Customers at no cost to the Low Income Customers, provided that a single Low Income Customer's annual usage is less than 15% of the Generation Unit's output; or

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iv. provide 100% of the annual generation output as electricity or Bill Credits to one or more qualified Low Income Properties. The Applicant shall provide satisfactory documentation to the Department that there is a minimum agreement term of 20 years for the Low Income Property to receive the generation output, as detailed in the Department's *Guideline Regarding Low Income Generation Units*.

v. Requirement for Behind-the-meter STGUs. For Behind-the-meter STGUs satisfying the Low Income Off-takers Requirement under 225 CMR 28.07(5)(c)2.b.ii. or iii., the Applicant shall demonstrate to the Department that the STGU will have at least 15% excess generation to allocate.

vi. Requirement to Update Off-takers. If one or more Low Income Customer used to satisfy 225 CMR 28.07(5)(c)2.b.ii. or iii. no longer qualify as Low Income Customer, the Applicant shall replace that customer with an eligible Low Income Customer and update the Department of that update within 30 days of the previous Low Income Customer's change in eligibility status.

3. Low Income Property STGUs. In order to qualify as a Low Income Property STGU, an STGU shall meet the following criteria:

a. Eligible Properties. Applicants shall provide satisfactory documentation to the Department that the recipient or recipients of the generation output meets the definition of Low Income Property.

i. Private Entities. A private entity wishing to qualify as a Low Income Property shall demonstrate to the Department's satisfaction that:

(i) at least 25% of the housing available at the properties to be served by the Generation Unit is required to be rented to households that are at or below 80% of the area median income; or

(ii) at least 20% of the housing available at the properties to be served by the Generation Unit is required to be rented to households that are at or below 50% of the area median income.

b. Generation Output Delivery. Applicants shall provide satisfactory documentation to the Department that the STGU is sited on a Low Income Property or 100% of the generation output will be delivered to one or more Low Income Properties in the form of electricity or Bill Credits.

c. Third-party Owned Generation Units. If the STGU has a Third-party Owner, the Applicant shall provide satisfactory documentation to the Department that there is a minimum agreement term of 20 years or a demonstration of intent to renew the agreement for the Low Income Property to receive the generation output.

d. Optional Pre-determination. Applicants may request a Pre-determination Letter from the Department, pursuant to the process outlined in the Department's *Guideline Regarding Low Income Generation Units.*

4. Public Entity STGUs. In order to qualify as a Public Entity STGU, an STGU shall meet the following criteria:

a. Municipal or Government Property. For STGUs sited on property owned by a Municipality or Other Governmental Entity, the Applicant shall provide satisfactory documentation to the Department that either:

i. The STGU is owned by the Municipality or Other Governmental Entity; or

ii. The Owner has assigned 100% of the generation output in the form of electricity or Bill Credits to Municipalities or Other Governmental Entities.

b. Private Property. For STGUs sited on privately owned property, the Applicant shall provide satisfactory documentation to the Department that either:

i. The STGU is owned by the Municipality in which the STGU is sited;

ii. The Owner has assigned 100% of the generation output in the form of electricity or Bill Credits to the Municipality or Other Governmental Entities in the Municipality in which the STGU is sited; or

iii. The Owner has

(i) assigned 100% of the generation output in the form of electricity or Bill Credits to Municipalities or Other Government Entities and

(ii) not less than 15% of that output is assigned to the Municipality, or an Other Governmental Entity located in the Municipality, in which the STGU is sited.

28.07: continued

c. Contract Requirement. Applicants may apply for a Preliminary Statement of Qualification by providing satisfactory documentation to the Department that a Municipality or Other Governmental Entity has awarded a contract to develop an STGU. STGUs applying as a Public Entity STGU shall not be subject to the requirements in 225 CMR 28.06(1)(c)2.

d. Exception to Executed ISA Requirement. STGUs applying as a Public Entity STGU shall not be subject to the requirements in 225 CMR 28.06(1)(c)1.

e. Exception to Permit Requirement. STGUs applying as a Public Entity STGU shall not be subject to the requirements in 225 CMR 28.06(1)(c)3.

(d) Other Compensation Rate Adders.

1. Solar Tracking Adder. In order to qualify for the Solar Tracking Adder, an STGU shall follow the path of the sun to maximize the solar radiation incident on the photovoltaic surface with a one or two-axis array that points the system directly at the sun at all times and is designed to maximize possible daily energy generation.

2. Pollinator Adder. In order to qualify for the Pollinator Adder, an STGU shall obtain and maintain at least a silver certification from the University of Massachusetts Clean Energy Extension Pollinator-friendly Certification Program, or other equivalent certification as determined by the Department.

(e) Other Special Eligibility Criteria.

1. Energy Storage Systems. In order to qualify for the Energy Storage System Compensation Rate Adder, an STGU shall be co-located with an Energy Storage System that meets the following eligibility criteria:

a. System Size. The STGU shall be greater than 25 kW.

b. System Requirements.

i. Minimum and Maximum Nominal Rated Power. The nominal rated power capacity of the Energy Storage System shall be at least 25%. The nominal rated power capacity of the Energy Storage System may be more than 100% of the rated capacity, as measured in direct current, of the STGU, but the STGU will receive credit for no nominal rated power capacity greater than 100% in the calculation of its Energy Storage Adder, pursuant to 225 CMR 28.13(3)(e)2.

ii. Minimum and Maximum Nominal Useful Energy. The nominal useful energy capacity of the Energy Storage System co-located with the STGU shall be at least two hours. The nominal useful energy capacity of the Energy Storage System co-located with the STGU may be more than six hours, but the STGU will receive credit for no nominal useful energy capacity greater than six hours in the calculation of its Energy Storage Adder, pursuant to 225 CMR 28.13(3)(e)2.

iii. Minimum Efficiency Requirement. The Energy Storage System co-located with the STGU shall have at least a 65% round trip efficiency in normal operation.

c. Operational and Performance Requirements.

i. Operational Requirements. The Energy Storage System shall be online and able to discharge at least 85% of the time during the Summer Peak Period and Winter Peak Period. The Energy Storage System may satisfy this requirement for either or both of the Peak Periods by participating in a demand response or grid services program. For any period that the Energy Storage System is not participating in a demand response or grid services program, the Energy Storage System shall demonstrate to the Department's satisfaction that it meets the operational requirements. If the Energy Storage System is decommissioned or non-functional for more than 15% of the Summer Peak Period or Winter Peak Period, the Department may disqualify the STGU from continuing to receive the Energy Storage System Compensation Rate Adder.

ii. Performance Requirements. The Energy Storage System shall dispatch 100 complete cycle equivalents per year or shall participate in a demand response or grid services program.

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d. Standalone DC-coupled Solar with Energy Storage. DC-coupled STGUs with Energy Storage Systems will be eligible for annual true up payments to account for round-trip efficiency losses and compensate the Owner for the AC equivalent of the Renewable Generation of the STGU. The Department will use the following formula to calculate the true up payment and shall publish a Guideline on Energy Storage that explains the parameters and the process for annual compensation.

$$\text{Annual True Up Payment} = R_P \cdot \eta_{inv} \cdot \eta_{tran} \cdot \sum_{i=1}^{n} E_i$$

2. Special Provisions for Phased Interconnection. STGUs shall be subject to the following provisions if the Applicant can demonstrate to the Department's satisfaction that the STGU has an agreement with the relevant Distribution Company for phased interconnection. Phased interconnection shall mean a single STGU for which the Distribution Company has structured the STGU's authorization to interconnect with the total nameplate capacity occurring in two or more phases, where the initial phase is less than the total nameplate capacity.

a. The Applicant shall submit a Statement of Qualification Application for the total nameplate capacity of the STGU and receive a capacity allocation pursuant to 225 CMR 28.06(4). The Interconnection Service Agreement shall demonstrate the timing of the phased interconnections.

b. The Applicant shall submit the first authorization to interconnect to receive a Final Statement of Qualification including the Incentive Payment Effective Date for the STGU.

c. After receiving an amended authorization to interconnect from the Distribution Company that includes the total nameplate capacity for the STGU, the Applicant shall submit it and receive a revised Final Statement of Qualification. The revised Final Statement of Qualification shall provide that the STGU is permitted to enroll and receive compensation under the SMART Tariff commencing on the Incentive Payment Effective Date of the original Final Statement of Qualification until the 20th anniversary of the Incentive Payment Effective Date included in the revised Final Statement of Qualification.

28.08: Land Use

(1) Ineligible Land. An STGU shall be ineligible for 225 CMR 28.00 if its Project Footprint overlaps with the following land use types:

(a) Wetland Resource Areas, as defined under 310 CMR 10.04: *Definitions*, not including Buffer Zones, as defined under 310 CMR 10.04, except as authorized by all necessary regulatory bodies in accordance with all applicable regulations, guidance, and policies;

(b) properties included in the *State Register* pursuant to 950 CMR 71.00: *Protection of Properties Included in the State Register of Historic Places*, except as authorized by regulatory bodies; or

(c) protected open space as established under Article XCVII of the Amendments to the Constitution. An STGU shall not be subject to 225 CMR 28.08(1)(c) if it receives one of the Locational Compensation Rate Adders listed under 225 CMR 28.13(3)(b).

(2) Ineligible Land for Ground-mounted STGUs above 250 kW. A ground-mounted STGU above 250 kW that is not located on Previously Developed land and does not qualify for a Locational Compensation Rate Adder listed under 225 CMR 28.13(3)(b) shall be ineligible for 225 CMR 28.00 if:

(a) the Project Footprint overlaps with land designated as Core Habitat; or

28.08: continued

(b) more than 10% of the Project Footprint overlaps with the highest levels of forest carbon in Massachusetts, as detailed in the Department's *Guideline Regarding Land Use, Siting, and Project Segmentation*; except in the instance where an STGU has an interconnection application that was submitted to the Distribution Company prior to September 24, 2025, and will interconnect to a substation or feeder that is constructed or upgraded as part of an Approved Distribution System Upgrade, that was filed with the Department of Public Utilities before January 1, 2026, then the overlap of the Project Footprint shall be more than 25%. There shall be no further exceptions to the 10% overlap threshold.

(3) Determination of Previously Developed Land. An Applicant may request a determination from the Department whether a prospective Project Footprint meets the definition of Previously Developed. The Department may consult with relevant agencies in issuing a determination. Further guidance on acceptable documentation to demonstrate that a Project Footprint meets the definition is detailed in the Department's *Guideline Regarding Land Use, Siting, and Project Segmentation*.

(4) Single Parcel Requirement. For any parcel of land for which an STGU has submitted a Statement of Qualification Application, if its current boundaries are the result of a subdivision recorded after January 1, 2020, the Owner shall demonstrate to the Department that the subdivision was not for the purpose of obtaining eligibility as an STGU.

(5) Project Segmentation. No more than one STGU on a single building, or one ground-mounted STGU on a single parcel shall be eligible to receive a Statement of Qualification as an STGU under 225 CMR 28.00.

(a) Exceptions to Project Segmentation. Notwithstanding 225 CMR 28.08(5), the following types of STGUs may be eligible to receive a Statement of Qualification, subject to demonstration to the Department's satisfaction that one of the following exceptions should apply:

1. two or more separately metered behind-the-meter STGUs located on the same parcel. If the combined capacity of the STGUs is over 250 kW, the STGUs shall have separate End-use Customers;
2. an STGU 25 kW or less, a Canopy STGU, a Floating STGU, or a Building Mounted STGU, which is located on the same parcel as another STGU, provided that the STGU is separately metered from the original STGU and, in the case of an STGU 25 kW or less or a Building Mounted STGU, is located on a separate building from the original STGU;
3. a Dual-use Agricultural STGU located on the same parcel as another STGU, provided that the STGU is separately metered from the original STGU and the original STGU is not a ground-mounted STGU;
4. a Canopy STGU located on the same parcel as another Canopy STGU, provided that the STGU is separately metered from the original STGU;
5. an STGU on a Brownfield located on the same parcel as another STGU on a Brownfield, provided that the STGU is separately metered from the original STGU and that the total capacity qualified for the parcel is less than or equal to 10,000 kW;
6. an STGU on an Eligible Landfill located on the same parcel as another STGU on an Eligible Landfill, provided that the STGU is separately metered from the original STGU and that the total capacity qualified for the parcel is less than or equal to 10,000 kW;
7. an STGU 25 kW or less or a Building Mounted STGU, which is located on the same building as another STGU, provided that the STGU is separately metered from the original STGU and is connected to a meter of a separate End-use Customer as the original STGU;
8. an STGU located on the same parcel that submits a Statement of Qualification Application at least 12 months after the Commercial Operation Date of the original STGU and is separately metered or that can demonstrate to the Department's satisfaction that the Owners of the STGUs are unaffiliated parties;
9. an STGU that is physically located on a parcel or parcels of land owned or controlled by the Massachusetts Department of Transportation as established by M.G.L. c. 6C and can demonstrate to the Department's satisfaction that it should be granted an exception to the provisions of 225 CMR 28.08(5); and
10. an STGU that can demonstrate to the Department's satisfaction that it should be granted an exception to the provisions of 225 CMR 28.08(5) for good cause.

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(6) Environmental Monitor. All STGUs qualifying as Dual-use Agricultural STGUs or subject to the requirements of 225 CMR 28.09 shall work with the Environmental Monitor pursuant to the following requirements.

(a) Payment of Fees. Applicants shall be responsible for the payment of fees for the cost of the Environmental Monitor's site visits, compliance certification, and other related activities.

(b) Site Visits. The Environmental Monitor shall conduct site visits to the location of the STGU to ensure compliance with the Performance Standards detailed in 225 CMR 28.08(7) and provide recommendations on minimizing site impacts.

1. A minimum of two site visits shall occur, one prior to the Department issuing a Preliminary Statement of Qualification and one prior to the Department issuing a Final Statement of Qualification. STGUs that submit a Statement of Qualification Application in the initial ten-day application window under 225 CMR 28.06(4)(b) may be issued a Preliminary Statement of Qualification prior to an initial visit from the Environmental Monitor. Such STGUs shall have a site visit from the Environmental Monitor within 90 days of receiving their Preliminary Statement of Qualification. Subject to the availability of the Environmental Monitor, the Department may extend the 90-day window on a case-by-case basis.

2. The Department may require additional site visits by the Environmental Monitor as necessary.

3. Site visits may occur during all stages of project development and up to two years following Mechanical Completion.

4. Applicants shall ensure that the Environmental Monitor has adequate access to project facilities and information required to ensure compliance with the Performance Standards.

(7) Performance Standards. All STGUs qualifying as Dual-use Agricultural STGUs or subject to the requirements of 225 CMR 28.09 shall work with the Environmental Monitor to obtain a certification that the construction of the STGU complies with the below standards. In the event that compliance with one or more listed Performance Standards conflicts with a permit requirement imposed by an authority having jurisdiction, compliance with the permit requirement shall take precedence and the Environmental Monitor shall deem the STGU in compliance with the applicable Performance Standard.

(a) no removal of field soils;

(b) existing leveled field areas shall be left as is without disturbance;

(c) where soils need to be leveled and smoothed, such as filling potholes or leveling, this shall be done with minimal overall impact with all displaced soils returned to the areas affected;

(d) ballasts, screw-type, or post driven pilings and other acceptable minimal soil impact methods that do not require footings or other permanent penetration of soils for mounting are required, unless the need for such can be demonstrated;

(e) any soil penetrations that may be required for providing system foundations necessary for additional structural loading or for providing system trenching necessary for electrical routing shall be done with minimal soils disturbance, with any displaced soils to be temporary and recovered and returned after penetration and trenching work is completed;

(f) no concrete or asphalt shall be used in the solar array mounting area other than surface mounted ballasts or other code required surfaces, such as for transformer or electric gear pads;

(g) address soil and water resource concerns that may be impacted to ensure the installation does not disturb an existing soil and water conservation plan or to avoid creating a negative impact to soil and water conservation best management practices, such as stimulating erosion or water run-off conditions;

(h) there shall be limited use of geotextile fabrics;

(i) vegetative cover shall be maintained to prevent soil erosion and plantings shall be native species appropriate to the geographical area, to the maximum extent feasible, consistent with The Vascular Plants of Massachusetts: A County Checklist provided by the Massachusetts Natural Heritage and Endangered Species Program;

(j) principles of Environmentally Sensitive Site Design and Low Impact Development Techniques, as defined under 310 CMR 10.04: *Definitions*, shall be employed;

(k) Stormwater Management Standards, as outlined under 310 CMR 10.05(6)(k), shall be employed.

28.09: Mitigation Fee

(1) Applicability. A ground-mounted STGU with a capacity greater than 250 kW with a Project Footprint that overlaps with land that is not Previously Developed and does not qualify for a Locational Compensation Rate Adder listed under 225 CMR 28.13(3)(b) shall be subject to the requirements of 225 CMR 28.09.

(2) Mitigation Fee Formula.

(a) The Department shall determine a formula for calculating the appropriate Mitigation Fee for 225 CMR 28.00. The formula shall be published in the Department's *Guideline Regarding Land Use, Siting, and Project Segmentation*. The formula shall include a maximum fee per acre to be applied to the total acreage of the Project Footprint. The Department shall use the following weighted factors in such formula:

1. Carbon Storage. The average forest carbon stock, plus the amount of carbon projected to be sequestered through a year determined by the Department, expressed in metric tons of carbon dioxide equivalent per acre, within the Project Footprint. The Department may partner with third-party entities to develop its approach for measuring the carbon storage score of an STGU.
2. Ecological Integrity. The ability of land located within the Project Footprint to support biodiversity and ecosystem processes over the long term. The Department may partner with third-party entities to develop its approach for measuring the Ecological Integrity score of an STGU.
3. Critical Natural Landscape. The assessment of the Project Footprint's overlap with Critical Natural Landscape.
4. Agricultural Potential. The agricultural potential of land located within the Project Footprint based on a classification of the farmland soil through the USDA Natural Resources Conservation Service and the land's status as Land in Agricultural Use.
5. Geographical Distribution. The assessment of the historical development of ground mounted solar in the SMART program by geographic distribution trends.

(b) Review Process for Mitigation Fee. For fees calculated under 225 CMR 28.09(2), an Applicant may request a review from the Department of whether the Mitigation Fee criteria scoring for a prospective Project Footprint presents a clear and obvious discrepancy from on-site conditions. The Department may consult with relevant agencies or third-party entities, including the Environmental Monitor, in assessing the on-site conditions and determining any corresponding adjustment to the Mitigation Fee. The Applicant may be subject to site visits and/or fees for the cost of the assessment.

(c) Project Footprints That Include Previously Developed Land. Any portion of a Project Footprint that includes Previously Developed land shall not be included in the acreage calculation for the Mitigation Fee under 225 CMR 28.09(2).

(3) Payment of Mitigation Fees. Applicants shall be required to pay 25 % of the Mitigation Fee within 30 days of the completion of the Environmental Monitor's first site visit under 225 CMR 28.08(6)(b) and the remainder of the Mitigation Fee at the time of submission for a Final Statement of Qualification. The Department shall not issue the Final Statement of Qualification until the Mitigation Fee is received. If an Applicant fails to pay the entirety of the Mitigation Fee, the Department may pause processing of all Statement of Qualification Applications submitted by the Applicant until the funds are received.

(4) Refunding of Mitigation Fees. Applicants shall receive a refund of the portion of the Mitigation Fee paid in the event that an STGU does not achieve commercial operation, and the Applicant can demonstrate to the Department's satisfaction that the land has not been materially impacted. Applicants shall withdraw the Statement of Qualification Application for the STGU in order to receive a refund.

(5) Trust Fund. Applicants shall deposit Mitigation Fee payments into an account maintained by the Executive Office of Energy and Environmental Affairs. Such account shall be held separate from the other accounts of the Executive Office of Energy and Environmental Affairs. The proceeds from this account shall be used without further appropriation to support conservation, ecosystem, and biodiversity programs in a proportion determined by the Executive Office of Energy and Environmental Affairs in consultation with the Department.

28.09: continued

(6) Alternative Compliance Pathway. The Department may determine that an STGU subject to 225 CMR 28.09 satisfies the requirements of 225 CMR 28.09 by complying with all applicable mitigation fee provisions developed by the Executive Office of Energy and Environmental Affairs under the Site Suitability Methodology for Clean Energy Infrastructure pursuant to M.G.L. c. 21A, § 30, or any associated regulatory provisions established by the Department requiring the payment of fees for compensatory environmental mitigation for the restoration, establishment, enhancement or preservation of comparable environmental resources, pursuant to M.G.L. c. 25A, § 21.

28.10: Program Requirements and Other Provisions

(1) Reporting Requirements.

(a) Generator Account Registration. An asset shall be established for individual STGUs within a generator account at NEPOOL GIS. For Non-NEPOOL Generators, as that term is defined under Rule 2.1(a)(vi) of the NEPOOL GIS *Operating Rules*, multiple STGUs may be registered under a single asset.

(b) Settlement Market System Assets. The electrical energy output from an STGU registered as a NEPOOL Generator, as that term is defined under Rule 2.1(a)(i) of the NEPOOL GIS *Operating Rules*, shall be verified by the ISO-NE.

(c) Non-NEPOOL Market Assets. The electrical energy output from an STGU registered as a Non-NEPOOL Generator, as that term is defined under Rule 2.1(a)(ii) of the NEPOOL GIS *Operating Rules*, shall be reported to the Independent Verifier, as approved by the Department, for all such assets.

(d) Duration of Distribution Company Asset Ownership. A Distribution Company shall retain the asset ownership and rights to all RPS Class I Renewable Generation Attributes associated with an STGU registered in a Distribution Company's NEPOOL GIS generator account for as long as the STGU is eligible to receive payment for such RPS Class I Renewable Generation Attributes and any Environmental Attributes as prescribed in 225 CMR 28.07(1). Following this period, ownership rights to assets and the RPS Class I Renewable Generation Attributes and any other Environmental Attributes that an STGU generates will be owned by the STGU Owner.

(2) Capacity Expansions. Both direct current (DC) and alternating current (AC) capacity expansions to the capacity listed in an STGU's Statement of Qualification are not permitted except under the following circumstances:

(a) a direct current capacity expansion to an STGU's rated capacity is permitted if the expansion occurs within an STGU's Reservation Period; and

(b) direct current and alternating current capacity expansions following an STGU's Commercial Operation Date may be allowed if the STGU can demonstrate to the Department's satisfaction that the expansion is *de minimis* and is required for equipment replacement or reconfiguration necessary to ensure the continued operation of the STGU.

(3) Special Provisions for Relocated and Replacement Generation Units. The Department may provide a Statement of Qualification to a solar photovoltaic Generation Unit that meets one of the following categories and criteria, as well as all other relevant provisions of 225 CMR 28.00:

(a) Relocated STGU. A solar photovoltaic Generation Unit whose equipment was used before June 20, 2025 to generate electrical energy outside of the Commonwealth of Massachusetts and that is interconnected with the electric grid in the service territory of a Distribution Company on or after June 20, 2025 may qualify as an STGU, provided that no components of the Power Conversion Technology were used in a Generation Unit located in the Commonwealth prior to June 20, 2025. No components from a Generation Unit previously qualified as an RPS Class I Renewable Generation Unit, Solar Carve-out Renewable Generation Unit, Solar Carve-out II Renewable Generation Unit, Solar Tariff Generation Unit under 225 CMR 20.00, or STGU under 225 CMR 28.00 shall be eligible to qualify as part of an STGU.

28.10: continued

(b) Replacement STGU. A solar photovoltaic Generation Unit that replaces an inactive or decommissioned solar photovoltaic Generation Unit that had operated on the same site for at least 15 years prior to the Statement of Qualification Application submission date, may submit a Statement of Qualification Application under 225 CMR 28.00 and qualify for an incentive payment rate equal to half of the applicable incentive rates for the Program Year in which the Statement of Qualification Application is submitted. A solar photovoltaic Generation Unit that replaces an inactive or decommissioned solar photovoltaic Generation Unit that had operated on the same site for fewer than 15 years shall not be eligible to qualify under 225 CMR 28.00 unless the Applicant or Owner can demonstrate to the Department's satisfaction that it should be granted an exception for good cause.

(4) Maintenance of Contact Information. The Owner or Authorized Agent of an STGU shall maintain up to date contact information for the STGU and shall respond in a timely manner, not to exceed ten Business Days, to communications from the Department necessary for the administration and enforcement of 225 CMR 28.00.

(5) Notification Requirements for Change in Eligibility Status. The Owner or Authorized Agent of an STGU shall notify the Solar Program Administrator of any changes that may affect the continued eligibility of the Generation Unit as an STGU. The Owner or Authorized Agent shall submit the notification to the Solar Program Administrator no later than five days following the end of the month during which such changes were implemented. The notice shall state the date the changes were made to the STGU and describe the changes in sufficient detail to enable the Solar Program Administrator and the Department to determine if a change in eligibility is warranted.

(6) Notification Requirements for Change in Ownership, Generation Capacity, or Contact Information. The Owner or Authorized Agent of an STGU shall notify the Solar Program Administrator of any changes in the ownership, capacity, or contact information for the STGU. The Owner or Authorized Agent shall submit the notification to the Solar Program Administrator no later than five days following the end of the month during which such changes were implemented.

(7) Compliance with the SMART Tariffs. STGUs shall remain in compliance with the provisions set forth in the SMART Tariffs as approved by the DPU. STGUs determined to be non-compliant with the SMART Tariff may be notified by the Department that they are found to be non-compliant pursuant to 225 CMR 28.17, which may result in the suspension or revocation of a Statement of Qualification.

28.11: Annual Compliance Reporting Requirements

(1) Dual-use Agricultural STGUs. Annually by February 1st, Dual-use Agricultural STGUs shall submit a report to the Department and MDAR on agricultural yields, grazing activities, and operational changes. A template for the annual report shall be posted on the Department's website, and submission instructions and deadlines will be detailed in the Department's *Guideline Regarding the Definition of Dual-use Agricultural Solar Tariff Generation Units*. Applicants or Owners may request waivers from certain reporting requirements by December 1st as detailed in the Department's *Guideline Regarding the Definition of Dual-use Agricultural Solar Tariff Generation Units*.

(2) Community Shared STGUs. Annually by December 31st, Community Shared STGUs shall provide updated customer disclosure forms for any new Customers of Record and an updated Schedule Z, credit allocation form, or off-taker list, demonstrating the STGU continues to allocate at least 90% of its credits or electricity to eligible off-takers.

28.11: continued

(3) Energy Storage Systems.

(a) Historical Performance Data. Annually by May 1st, the Applicant or Owner of an Energy Storage System shall provide historical 15-minute interval performance data in a manner established by the Department to demonstrate compliance with the Operational and Performance Requirements pursuant to 225 CMR 28.07(5)(e)1.c.

(b) Exception Process. Applicants may request exceptions to the Operational and Performance Requirements based on unexpected circumstances such as fire, safety concerns, public health concerns, warranty failures, unintended outages, or others as determined by the Department. Applicants requesting an exception shall provide a written request with supporting documentation as part of the annual compliance reporting.

(4) Pollinator Adder. Annually by March 31st, STGUs receiving the Pollinator Adder shall annually submit a letter of certification to the Department.

(5) Floating STGUs. Annually by December 31st, Floating STGUs shall submit a report to the Department as detailed in the Department's *Guideline Regarding the Definition of Floating Solar Tariff Generation Units*. A template for the annual report shall be posted on the Department's website.

(6) Failure to Report. Failure to comply with annual reporting requirements may result in the STGU being placed in non-compliance pursuant to 225 CMR 28.17.

28.12: Consumer Protection

(1) Unfair Methods of Competition and Unfair or Deceptive Acts or Practices. Unfair methods of competition and unfair or deceptive acts or practices regarding an STGU or the SMART 3.0 Program, as addressed under M.G.L. c. 93A, § 2, 940 CMR 3.00: *General Regulations*, and 940 CMR 19.00: *Retail Marketing and Sale of Electricity*, are prohibited under 225 CMR 28.00. Additionally, Applicants, Owners, and Authorized Agents under 225 CMR 28.00 are required to follow all applicable provisions of 225 CMR 28.00 and state and federal laws, including M.G.L. c. 93A, § 2.

(2) Department Monitoring. Applicants, Owners, and Authorized Agents shall comply with all requirements of 225 CMR 28.00, including 225 CMR 28.12(1). The Department may consult with other state entities, Municipalities, governmental bodies, or other parties to ensure such requirements are met. The Department may conduct audits by requesting information from the Applicants of STGUs pursuant to 225 CMR 28.16 to ensure compliance with 225 CMR 28.12(1) and all other provisions of 225 CMR 28.00. The Department may contract with third parties to assist with such audits.

(3) Enforcement. If the Department determines that an Applicant, Owner, or Authorized Agent has violated 225 CMR 28.12(1) or not complied with the requirements of an audit under 225 CMR 28.12(2), the Department may take non-compliance actions pursuant to 225 CMR 28.17. The Department may temporarily suspend all STGU Statements of Qualification or Compensation Rate Adders submitted by an Applicant, Owners, or Authorized Agent during the pendency of an audit if the Department determines there is a reasonable likelihood that 225 CMR 28.00 has been violated and that the violation poses a risk of ongoing harm to the ratepayers of the Commonwealth, Owners, or Customers of Record.

(4) Customer Disclosure Forms for Community Shared STGUs. Community Shared STGUs shall provide consumer information in a form and manner as prescribed by the Department, including, but not limited to, proper sizing to achieve customer benefits, contract pricing for the length of the agreement, complete system cost information, operation and maintenance responsibilities, disposition of associated RECs and tariff terms, and anticipated production. Such disclosure shall contain a statement that bill impacts may fluctuate from month to month and that customers are at risk of possible bill increases. Such disclosure shall be provided to the consumer prior to entering into any contract for Community Shared STGU services.

28.12: continued

(5) Customer Disclosure Forms for STGUs 25 kW or Less. A provider of STGUs 25 kW or less shall provide consumer information in a form and manner as prescribed by the Department, including, but not limited to, contract pricing for the length of the agreement, complete system cost information, operation and maintenance responsibilities, disposition of associated RECs and tariff terms, and anticipated production. Such disclosure shall be provided to the consumer prior to entering into any contract for any such STGU.

(6) Contract Requirements for STGUs 25 kW or Less. Contracts executed for STGUs 25 kW or less shall meet the following requirements.

(a) Parties. The contract shall be between the Primary Installer and the Customer of Record. For an STGU for which the Owner is a Third-party Owner and the Primary Installer is a subcontractor to the Owner, an executed contract between the Owner and the Primary Installer and an executed contract between the Owner and Customer of Record shall be provided.

(b) Application Preparation Responsibilities. The contract shall identify a project manager, and shall include Statement of Qualification Application preparation, equipment procurement and installation, site preparation, permitting and interconnection support, Statement of Qualification Application completion paperwork, training, operations and maintenance, and compliance with all applicable state and local laws.

(c) Budget. The contract shall include a budget that identifies key project components and a timeline and corresponding payment schedule for installation of the project.

(d) Contract Service. Contract Service shall include responsibility for the Statement of Qualification Application process including submittal of authorization to interconnect, securing required permits and engineering approvals, installation of the project, scheduling and participation in all required inspections, and providing warranty services, as required.

(7) Special Contract Requirements. Contracts for the below specified STGU types shall contain the following requirements in addition to the applicable provisions of 225 CMR 28.12(6).

(a) Residential Direct Ownership Contract Requirements.

1. A wet signature or signature using an electronic signature software from the Owner;
2. A right of recission within three or more Business Days;
3. The annual degradation and estimated first year production for the STGU;
4. The allocation of maintenance obligations between the Owner and the Applicant or Primary Installer;
5. The Owner's remedy for maintenance/service in case of Applicant or Primary Installer bankruptcy.

(b) Residential Third-party Ownership Contract Requirements.

1. A wet signature or signature using an electronic signature software from the Customer of Record;
2. Pricing Terms and length of Power Purchase Agreement;
3. Explanation of Power Purchase Agreement term renewal;
4. Explanation of any early termination fees;
5. Terms for system removal upon Solar Contract termination;
6. Explanation of purchase option and economic terms for purchase;
7. The Owner's rights and obligations upon selling the property where the STGU is sited; and
8. Allocation of risk of loss in case of damage to system.

(c) Community Shared Solar Contract Requirements.

1. A wet signature or signature using an electronic signature software from the Customer of Record;
2. Terms under which pricing will be calculated over life of the Solar Contract;
3. Explanation of billing procedures, subscription sizing, historic household usage evaluation, and impacts to utility bill;
4. All possible fees or charges under the Solar Contract;
5. Terms and conditions for early termination on the part of the customer, Applicant, and Primary Installer;
6. In the case of early termination on the part of the customer, the termination shall be processed and effective within 60 days;
7. Explanation of contract renewal terms and procedures;

28.12: continued

8. Transferability of community solar subscription; and
9. Early termination fees shall not be included in the Solar Contract.

28.13: Compensation Rates

(1) Length of Compensation Rate Terms. All STGUs will be eligible to receive compensation under 225 CMR 28.00 for 20 years from the STGU's Incentive Payment Effective Date. STGUs under 225 CMR 28.07(5)(e)2. will be eligible to receive compensation from the Incentive Payment Effective Date for the first phase of the STGU until 20 years from the Incentive Payment Effective Date set for the STGU's total nameplate capacity. The Base Compensation Rate and Compensation Rate Adders contained in an STGU's Final Statement of Qualification shall be fixed for those 20 years, subject to any suspension or revocation issued pursuant to 225 CMR 28.17(3).

(2) Base Compensation Rates. Base Compensation Rates for each Program Year will be established and published pursuant to 225 CMR 28.05(6) and shall be the same across all Electric Distribution Company service territories. STGUs less than or equal to 25 kW shall receive a Flat Incentive Rate pursuant to 225 CMR 28.14(3). Base Compensation Rates shall be established for the following capacity ranges:

(a) 25 kW - 250 kW;
(b) 250 kW - 500 kW;
(c) 500 kW - 1,000 kW; and
(d) 1,000 kW - 5,000 kW.

(3) Compensation Rate Adders. Compensation Rate Adders for each Program Year will be established and published pursuant to 225 CMR 28.05(6) and shall be the same across all Electric Distribution Company service territories.

(a) Adding and Removing Compensation Rate Adders. An STGU may add and/or remove a Compensation Rate Adder one time during its tariff term. An STGU that qualifies for a Compensation Rate Adder after its Commercial Operation Date may only receive the Compensation Rate Adder for the remainder of its tariff term, provided it can demonstrate continued compliance with the eligibility criteria. The value of each Compensation Rate Adder for which an STGU is eligible will be the applicable Compensation Rate Adder at the time the STGU qualifies for the Compensation Rate Adder.

(b) Locational Compensation Rate Adders. Locational Compensation Rate Adders shall include:

1. Brownfield STGU;
2. Building Mounted STGU;
3. Canopy STGU;
4. Dual-use Agricultural STGU;
5. Floating Solar STGU;
6. Landfill STGU;
7. Large Building Mounted STGU; and
8. Raised Racking STGU.

(c) Off-taker Based Compensation Rate Adders. Off-taker Based Compensation Rate Adders shall include:

1. Community Shared STGU;
2. Low Income Property STGU; and
3. Public Entity STGU.

(d) Other Adders.

1. Pollinator Adder; and
2. Solar Tracking Adder.

(e) Energy Storage Adder. An STGU that meets the eligibility requirements of 225 CMR 28.07(5)(e)1. shall be eligible to receive a variable adder to its Base Compensation Rate.

1. Energy Storage Adder Multiplier. The energy storage adder multiplier will be published in the Department's Annual Program Year Report and shall be the same across all Electric Distribution Company service territories.

28.13: continued

2. Energy Storage Adder Formula. The variable energy storage adder for STGUs paired with Energy Storage Systems that meet the requirements of 225 CMR 28.07(5)(e)1. will be calculated using the below formula. The Department shall publish a *Guideline on Energy Storage* that provides an Energy Storage Adder calculator and explains the parameters of 225 CMR 28.13(3)(e)2.

$$\text{Energy Storage Adder} = \left[\frac{\left(\frac{\text{Nominal Rated Power Capacity of Energy Storage System}}{\text{DC Rated Capacity of the Solar Photovoltaic System}}\right)}{\left(\left(\frac{\text{Nominal Rated Power Capacity of Energy Storage System}}{\text{DC Rated Capacity of the Solar Photovoltaic System}}\right) + \exp\left(0.7 - \left(8 * \left(\frac{\text{Nominal Rated Power Capacity of Energy Storage System}}{\text{DC Rated Capacity of the Solar Photovoltaic System}}\right)\right)\right)\right)}\right] * \left[0.8 + \left(0.5 * \ln\left(\frac{\text{Nominal Rated Useful Energy of the Energy Storage System}}{\text{Nominal Rated Power Capacity of Energy Storage System}}\right)\right)\right] * \text{Energy Storage Adder Multiplier}$$

(f) Combining Base Compensation Rates and Compensation Rate Adders.

1. Combining Adders. An STGU greater than 25 kW can combine its Base Compensation Rate with no more than one Compensation Rate Adder from each of the two categories listed in 225 CMR 28.13(3)(b) through (c), provided it meets the eligibility criteria to qualify for each of the Compensation Rate Adders.

2. Exception for Brownfield STGUs. Qualification for the Brownfield STGU Locational Adder shall not count towards an STGU's count of Compensation Rate Adders under 225 CMR 28.13(3)(f)1.

28.14: Calculation of Incentive Payments for STGUs

(1) Calculation of Incentive Payments for Standalone STGUs Greater than 25 kW. Any payments provided to the Owner of a Standalone STGU, which meets the criteria of 225 CMR 28.14(1)(a) or (b), will be equal to total of the STGU's Base Compensation Rate plus any Compensation Rate Adders multiplied by the total kWh generated by the STGU in the Distribution Company billing period, minus the value of the energy generated by the STGU in a Distribution Company billing period.

Standalone Solar Incentive Payment
= *(Base Compensation Rate + Compensation Rate Adders)*
✷ *total kWh generated*
- *value of energy generated*

(a) Value of Energy Generated for Standalone STGUs Receiving Bill Credits. The methodology for calculating the value of the energy generated by a Standalone STGU that receives a Bill Credit is dependent on whether it is qualified as a Net Metered Generation Unit or as an Alternative On-bill Credit Generation Unit and will be determined as follows:

1. Net Metered Generation Unit. The value of energy for a Net Metered Generation Unit shall be equal to the total kWh generated during a utility billing period multiplied by the STGU's applicable net metering credit, as established in M.G.L. c. 164, § 138.

Net Metered Generation Unit Energy Value
= *total kWh Generated ✷ net metering credit rate*

2. Alternative On-bill Credit Generation Unit. The value of energy for an Alternative On- bill Credit Generation Unit shall be equal to the total kWh generated during a utility billing period multiplied by the STGU's applicable credit value under its applicable tariff structure.

Alternative On Bill Credit Generation Unit energy value
= *total kWh generated ✷ energy compensation rate*

28.14: continued

(b) Value of Energy Generated for Non-net Metered Generation Units. The value of energy for a Non-net Metered Generation Unit shall be equal to its total compensation received from a Distribution Company as a State Qualifying Facility under 220 CMR 8.00: *Sales of Electricity by Qualifying Facilities and On-site Generating Facilities to Distribution Companies, and Sales of Electricity by Distribution Companies to Qualifying Facilities and On-site Generating Facilities*.

Non Net Metered Generation Unit energy value
= *total kWh generation ✷ State Qualifying Facility value*

(2) Calculation of Incentive Payments for Behind-the-meter STGUs greater than 25 kW. Payments provided to the Owner of a Behind-the-meter STGU by a Distribution Company for RPS Class I Renewable Generation Attributes and Environmental Attributes will be fixed at the point in time that an STGU receives its Final Statement of Qualification for the duration that the STGU is eligible under 225 CMR 28.00 and will be equal to the total of the STGU's Base Compensation Rate plus any Compensation Rate Adders , minus the value of energy, multiplied by the total kWh generated by the STGU in the Distribution Company billing period.

Behind-the-meter Solar Incentive Paymnet
= *[(Base Compensation Rate + Compensation Rate Adders*
- *value of energy] ✷ total kWh generated*

The methodology for calculating the value of the energy for a Behind-the-meter STGU is dependent on whether the Generation Unit is qualified as a Net-metered Generation Unit, an Alternative On-bill Credit Generation Unit, or a Non-net Metering Generation Unit, and will be determined as follows:

(b) Value of Energy for Net-metered Generation Units. The value of energy shall be equal to the sum of the Owner's current distribution kWh charge, current transmission kWh charge, current transition kWh charge, and the average of the basic service kWh charge in the prior three calendar years.

Net Metered value of energy
= *(distribution kWh charge + transmission kWh charge*
+ *transition kWh charge*
+ *three-year average of basic service kWh charge)*

(c) Value of Energy for Alternative On-Bill Credit Generation Units and Non-net Metered Generation Units. The value of energy shall be equal to 0.65% of the sum total of the average of the basic service kWh charge in the prior three calendar years, current distribution kWh charge, current transmission kWh charge, and current transition kWh charge, plus 0.35% of the average of the basic service kWh charge in the prior three calendar years, as of the date of the STGU's preliminary Statement of Qualification.

Alternative On Bill Credit and Non Metered value of energy
= *[0.65 (three-year average of basic service kWh charge*
+ *distribution kWh charge + transmission kWh charge*
+ *transition kWh charge)*
+ *0.35 (three-year average of basic service kWh charge)]*

(3) Calculation of Incentive Payments for STGUs Less than or Equal to 25 kW. The value of incentive payments provided to the Owner of an STGU less than or equal to 25 kW by a Distribution Company for RPS Class I Renewable Generation Attributes and Environmental Attributes will be set on annual basis pursuant to 225 CMR 28.05(7) and fixed at the point in time that an STGU receives its Statement of Qualification for the duration that the STGU is eligible under 225 CMR 28.00.

28.14: continued

(4) Calculation of Blended Rates. In instances when multiple STGUs qualifying for different compensation rates are being interconnected behind the same retail meter, the Department may establish a blended rate for the STGUs, in consultation with the Distribution Company and the Solar Program Administrator. The blended rate will be based on the total compensation rate for each STGU but will be weighted based on the AC capacity of each STGU that will be connected behind the same retail meter. The single, unique blended rate will be the same on each Statement of Qualification for the STGUs.

(5) Calculation of Combined Rates. In instances when two or more STGUs are being installed on one parcel with a combined capacity that does not exceed 5,000 kW and the STGUs have been granted an exception to the project segmentation requirements for good cause, pursuant to 225 CMR 28.08(5)(a)10., the Department may establish the Base Compensation Rate based on the combined capacity of the STGUs. The Department may require that the Applicant submit a single Statement of Qualification Application for the combined capacity installed on the parcel and may issue a single Statement of Qualification with a single Base Compensation Rate based on the combined AC capacity of the STGUs.

28.15: Solar Program Administrator

(1) The Department shall determine whether it is necessary for the Distribution Companies to contract with an independent Solar Program Administrator. The Solar Program Administrator will be responsible for providing some or all of the following services:

(a) receiving Statement of Qualification Applications;

(b) coordinating with the Department and the Distribution Companies to issue Statements of Qualification to STGUs;

(c) acting as the Independent Verifier for all Non-NEPOOL Market Assets, pursuant to 225 CMR 28.10(1)(c); and

(d) any other duties prescribed in a request for proposals.

(2) The Department may determine whether the Distribution Companies may use the Solar Program Administrator for 225 CMR 20.00: *Solar Massachusetts Renewable Target (Smart) Program* to fulfill 225 CMR 28.15(1).

(3) The Department may require the Distribution Companies to procure a new Solar Program Administrator in the event that the Solar Program Administrator is not satisfactorily fulfilling the requirements of 225 CMR 28.15(1).

28.16: Inspection

(1) Document Inspection. The Department may audit the accuracy of all information submitted pursuant to 225 CMR 28.00. The Department may request and obtain from any Owner or Authorized Agent of an STGU, and from any Distribution Company information that the Department determines necessary for the administration or enforcement of 225 CMR 28.00.

(2) Audit and Site Inspection. Upon reasonable notice to an STGU Owner, or Authorized Agent, the Department may conduct audits, which may include inspection and copying of records and/or site visits to an STGU's facilities, including, but not limited to, all files and documents that the Department determines are related to compliance with 225 CMR 28.00.

28.17: Non-compliance

Any Distribution Company, Owner, or Authorized Agent of an STGU that fails to comply with the requirements of 225 CMR 28.00 and accompanying Guidelines shall be subject to the provisions in 225 CMR 28.17(1) through (3).

28.17: continued

(1) Notice of Non-compliance. A failure to substantially comply with the requirements of 225 CMR 28.00 and accompanying Guidelines shall be determined by the Department on a case by case basis. A written Notice of Non-compliance shall be prepared and delivered by the Department to any Distribution Company, Owner, or Authorized Agent of an STGU that fails to comply with the requirements of 225 CMR 28.00, and to the DPU, as applicable. The Notice of Non-compliance shall describe the requirement(s) with which the Distribution Company, Owner, or Authorized Agent failed to comply, the time period of such non-compliance, and any remedial actions necessary to come back into compliance.

(2) Publication of Notice of Non-compliance. A Notice of Non-compliance may be published on the Department's website and in any other media deemed appropriate by the Department. Such publication may remain posted until the Distribution Company, Owner, or Authorized Agent returns to compliance as determined by the Department. The Department may also maintain a historical record of Notices of Non-compliance on the Department's website.

(3) Suspension or Revocation of Statement of Qualification. The Department may suspend or revoke a Statement of Qualification or compensation rate adder if the Owner of an STGU or Authorized Agent of the Owner fails to comply with any provisions in 225 CMR 28.00 or fails to complete any remedial actions detailed in a notice of noncompliance.

28.18: Severability

If any provision of 225 CMR 28.00 is declared invalid, such invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

REGULATORY AUTHORITY

225 CMR 28.00: St. 2016, c. 75, § 11 and M.G.L. c. 25A, § 6.