

September 27, 2019

CPV Red Rock Solar Comments to SMART Program Expansion Proposal

Competitive Power Ventures, Inc (CPV) appreciates the opportunity to provide comments on the SMART Program Expansion proposal as part of the Department of Energy Resources (DOER) 400 MW Program review.

CPV is a developer of utility scale wind, solar and natural gas-powered projects in the United States. Since 2009, the company has developed and commercialized ~5,800 MW of wind and natural gas projects consisting of ~1,000 MW of wind and ~4,800 MW of natural gas projects. The company is also one of the largest asset managers of electric generation facilities in the United States managing ~8,900 MW of operating assets. CPV has extensive experience across all aspects of the development, financing, construction, commissioning and operation of electric generating facilities.

CPV, through its affiliate, CPV Red Rock Solar, LLC has developed a 5.9MW_{DC}/4.4MW_{AC} solar project in Ludlow and Granby, Massachusetts in response to the initial parameters of the SMART program. We believe the project, which is fully permitted, can offer economically priced solar energy under the standards set forth in the initial rules of SMART.

Unfortunately, we feel the revisions being made to SMART will act as a detriment to projects such as Red Rock Solar and will unduly punish larger scale projects under SMART, rendering such projects uneconomic. To that end, we offer the following comments:

1. **A 5-times increase to the greenfield subtractor is a fundamental change to the original program and unduly penalizes larger projects in favor of smaller projects.** This proposed change will have a substantial and significant impact on larger projects as the subtractor is assessed on a per acre of land impacted basis. For those projects for which the development was based on the rules of the original program but have not yet applied for a statement of qualifications, the proposed change is a re-writing of fundamental rules that were determinative in decisions to initiate such projects.
2. **The proposed changes in land use categories and subtractors specifically penalize large, standalone projects.** The changes will actively discourage solar development in Massachusetts, contrary to the stated goals of the program to “create a long-term sustainable solar incentive program that promotes cost-effective solar development in the Commonwealth.”
 - a. DOER cites tree cutting as a major concern, but, despite this concern, a landowner is entitled to clear cut their property at any time and could use the land for a potentially far more disruptive use, including but not limited to harvesting timber,

creating open space or constructing a parking lot or building. Solar is a non-invasive, beneficial and passive use, but it is being penalized when other uses would be legally permissible.

- b. DOER should factor in the economic impact to landowners of the proposed changes. Similar to the changes requiring energy storage installation or the increased greenfield subtractor, the change to the land use category subtractors will also cause projects currently in development to become economically unviable. Landowners will be robbed of the opportunity to develop solar resources on their property and remove the opportunity for new sources of revenue through taxes from municipalities.
 - c. Finally, the proposed change to the land use category will economically penalize projects being developed on sites which local zoning officials have specifically identified and approved as locations that are suitable for solar projects in their municipalities.
3. **Implementation of the proposed new/preferred interconnection adder/subtractor provision will unfairly benefit specific projects at the expense of others in a process that is already well underway.** Given the amount of solar development commenced under the SMART Program and in order to maintain the competitiveness of the SMART Program, projects should be allowed to stand on their own merits as the interconnection study process identifies the cost of distribution system upgrades required. It should be up to the developer of the project to decide what is economically feasible or not. It should not be up to the electric distribution companies to decide which projects are more favorable than others based on proprietary information only they have access to.

CPV has history of successfully developing electric generating projects across the United States and has allocated significant resources to develop eligible solar projects to participate in the SMART Program. We believe that it is important to have strong, transparent procurement rules that are fair to all participants. The draft proposal makes significant changes to the SMART Program that will affect projects currently in development and inflict undue economic penalties on larger development projects. For those reasons, CPV recommends that DOER revisit the issues highlighted in these comments to make the SMART Program the success that many envisioned when it was first introduced.