



September 27, 2019

Judith Judson, Commissioner  
Massachusetts Department of Energy Resources  
100 Cambridge Street, 10th floor  
Boston, MA 02116

***Re: Public Comments on SMART Program 400 MW Review in 225 CMR 20.00 and 15.00***

Dear Commissioner Judson:

Thank you for providing the opportunity to comment on the SMART 400 MW Review. Beacon Integrated Solutions (“Beacon”) and Sol Systems, LLC (“Sol”) are pleased to present the following comments with respect to delivering solar project opportunities to public sector entities including municipalities, regional school districts, water districts, fire districts and other governmental entities.

Beacon is an independent Massachusetts-based woman-owned energy management solutions firm specializing in energy procurement, energy management, energy savings performance contracting and renewable energy technologies and strategies.

We help public sector and business clients optimize their energy usage through energy efficiency and infrastructure upgrades, implement renewable energy solutions and procure essential energy commodities in the competitive energy supply market. Beacon works with public sector clients to develop renewable energy strategies based on local requirements and goals. We assess specific renewable opportunities including solar photovoltaics (roof, wall and ground mounts), solar thermal (heating and hot water), biomass (woodchip and pellets) and wind.

Sol was formed in 2008 to provide solar energy development, financing, and asset management services for commercial and utility scale customers. Sol has developed or financed over 800 MW of solar projects since its founding in 2008, including multiple successful projects of this size in Massachusetts.

Beacon’s portfolio of public sector clients implementing renewable energy strategies, particularly solar photovoltaic systems, includes upwards of 50 Massachusetts municipalities. Moreover, Sol is currently

developing 30+MW of late stage and awarded Massachusetts solar projects under the SMART program nearly half of which are with municipal customers. On behalf of Beacon's and Sol's public sector clients, we address our comments below.

**Behind the Meter ("BTM") Installations Face Utility Impediments Causing Operational and Financial Risk:**

We encourage DOER to review the protection and control requirements imposed by the utilities for BTM installations. Such requirements are set forth by utility policy and not utility tariff. Specifically, Eversource's metering strategy and policy as shown in their SMART Metering Diagrams requires a utility-owned recloser to be located in front of the meter for all solar systems sized at 500 kW or greater. This configuration places significant risk to the building host as it enables the utility to disconnect both the solar array and the building from their distribution system for non-emergency line maintenance or other operational reasons. The result is a complete shutdown of the electricity power supply to the building while the Eversource circuit serving the building remains energized. Such policies are counter to DOER's objective to encourage more BTM systems, including systems paired with storage, and creates significant project and financing risk.

**Public Entity Projects Require Longer Reservation Periods:**

Beacon and Sol support DOER's recommendation to advance Public Entity projects by allowing additional time for such projects to be constructed. Notwithstanding, the 18-month reservation period will insufficiently address Public Entity projects on facilities involved in major rehabilitation, renovation or new construction. Such facilities are necessarily required to undergo building design/development in concert with the design of solar photovoltaic systems as the structural and electrical infrastructure supporting both must be designed collaboratively.

DOER's proposal supports an 18-month extension. As noted in comments submitted by Beacon's client, the Town of Lincoln/Lincoln Public Schools ("Lincoln"), we support Lincoln's concern that a staged facility rehabilitation/renovation/new construction project necessitated for continuous on-going use will require a reservation period beyond the 18-month reservation period. Beacon and Sol support the Solar Industry's recommendation to increase the reservation period from 12-months to 24-months.

**Public Entity Project Sub-Category Needed:**

To further encourage Public Entity projects, Beacon and Sol support a modification of the definition of Public Entity projects. Specifically, we seek DOER's consideration to create a sub-category of Public Entity projects where the Public Entity owns the property, has full site control and leases the property to a third-party for the solar project, but does not own the solar project and is not an off taker of the generation produced.

We recommend that this sub-category of Public Entity would benefit from the accelerated SMART qualification process, extended construction period and qualify for Land-Use Category 1. Since the lease of publicly owned land requires statutory approval by the Public Entity's governmental body, including City Council and Town Meeting, such long-term leases would be subject to comprehensive study and review on land-use appropriateness.

We note that such sub-category definition for Public Entity would enable the Public Entity to receive the direct benefit from the solar project through a long-term lease payment without incurring the obligation to purchase the generation unless such Public Entity had available capacity to absorb either the generation or the financial benefit of net metering or alternative on-bill credits. This recommendation supports DOER's goal to increase Public Entity participation in the SMART program.

Due to complexities and time constraints of public procurement laws, Public Entities have since the inception of the SREC Program proactively pursued net metering agreements, and more recently alternative on-bill credit arrangements from constructed projects remote to the municipality. While many municipalities have limited to no additional capacity for more credits, there remains significant opportunity for siting solar projects on such publicly owned property.

Beacon and Sol are currently supporting municipalities actively pursuing such opportunities. Without this sub-category of definition for Public Entities, DOER's proposed changes to SMART would cause such projects to realize significant financial penalties resulting from the changes proposed to the Land-Use category classification. These projects would be subject to the increased Greenfield subtractor thereby jeopardizing both the financial viability of the projects and potentially requiring reconsideration of the project.

**Conclusion:**

Thank you for the opportunity to submit feedback and for DOER's thoughtful consideration of these comments. Please let us know if we can be of any assistance to DOER during the remainder of the rulemaking process.

Best regards,

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