



September 27, 2019

Judith Judson, Commissioner

The Massachusetts Department of Energy Resources (DOER)

100 Cambridge Street, Suite 1020

Boston, MA 0211

Sent via email:

Re: Comments on Massachusetts SMART Program 400 MW Review

Dear Commissioner Judson:

Sunpin Solar Development, LLC (Sunpin) hereby submits the following comments on the Massachusetts SMART Program 400 MW Review issued on September 5, 2019. Sunpin appreciates DOER's review and consideration of the comments to support solar energy development in the Commonwealth of Massachusetts.

Sunpin is a solar energy development and long-term asset investment company with approximately 100 MW of projects operating in the U.S. Sunpin has developed and built solar energy projects in Massachusetts since 2012 under SREC I, SREC II, and the current SMART program. Sunpin is also one of the companies who participated and won the award from the initial 100 MW competitive RFP program under SMART. Sunpin currently has more than a dozen projects under development in Massachusetts with both permitting activities and interconnection applications in process with a requisite substantial capital investment. We believe Sunpin's comments represent a large number of solar energy developers in Massachusetts who are contributing to the 35 percent RPS goal by 2030.

We recommend that DOER adopt the following suggestions in the expanded SMART program:

- Exempt all projects currently with interconnection and land use permit applications submitted from the new Greenfield subcontractor rules and rates and apply the old Greenfield subcontractor rules to these projects in the initial SMART program.

As of July 2019, there are more than 1.5 GW of projects with capacity above 1 MW in the interconnection queue, most of which have not obtained SMART incentives and are waiting to get into the expanded SMART program. These projects were developed under the financial assumptions based on the initial SMART program. With the substantially larger new Greenfield subcontractors, we expect the majority of the current projects under development to fail due to the economic infeasibility caused by the new Greenfield Subcontractors, leading in turn to an immediate downturn in the Massachusetts solar energy market.

- Relax the 18-month deadline of Mechanical Completion after the SMART incentive is awarded. Instead, require a large enough deposit upon the issuance of the initial Statement of Qualification to ensure the construction completion and the solar power delivery of the project by the interconnection agreement Commercial Operation Date ("COD") as the COD Guaranteed Date, similar to a Power Purchase Agreement security deposit that is commonly used in the renewable energy industry.



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Due to various reasons, the utilities need a long time (18 months to 4 years) to construct the necessary interconnection facilities for some projects. It makes no sense for a project to be mechanically completed, able to generate clean solar energy and then sit idle on the ground for more than a year. While the projects with longer interconnection timeline are potentially located in a congested area, the interconnection upgrades will create benefits to the distribution and transmission systems which will allow not only the current projects, but also more future solar energy projects to be interconnected, allowing Massachusetts to achieve the 2030 RPS goal.

- Remove the prerequisite requirement of a separate storage interconnection agreement when submitting the SMART incentive application. Instead, require the projects to have storage in place upon the issuance of final Statement of Qualification - otherwise the SOQ will be cancelled.

Sunpin appreciates DOER's proposal on requiring all projects over 500 kW to be paired with storage. However, the current SMART application prerequisite of storage interconnection approval may take away the opportunity of applying for the expanded SMART incentive totally from the projects which are currently in advanced development stages, didn't apply for storage application in the beginning, but willing to add storage after the base incentives are obtained.

Sunpin believes that with the incorporation of the recommendations above, and those from other solar energy associations including SEBANE, (of which Sunpin is a member) will support Massachusetts in maintaining a leading position in U.S. clean energy development.

Sincerely,

XJ Chen

VP of Development

Sunpin Solar Development, LLC