From:	Ariela Lovett
To:	SMART, DOER (ENE)
Subject:	400 MW Review Public Comments
Date:	Friday, September 27, 2019 3:46:57 PM

To: Judith Judson, Commissioner, Department of Energy Resources
From: Ariela Lovett, Legislative Analyst, MMA

Re: Solar Massachusetts Renewable Target (SMART) Program 400 MW Review

On behalf of the cities and towns of the Commonwealth, the Massachusetts Municipal Association appreciates the opportunity to provide comment on DOER's 400MW Review of the SMART program. Municipalities are proud to partner with the state to advance the Commonwealth's renewable energy goals, meet our communities' local energy needs, and save taxpayer money. We are pleased to see in DOER's straw proposal several changes that would better accommodate municipal participation in the SMART program. We do, however, have some concerns about requirements that would place undue procedural and cost burden on municipalities.

We applaud the Department's proposed increase to the public off-taker adder from $0.02/kWh to $0.04/kWh. As the Department has found that, to date, only 2% of solar projects greater than 25 kW have planned to take advantage of the public off-taker adder, and that the project costs for public entities are frequently greater than the estimated savings from the adder, this proposed increase is much-needed. We also appreciate the proposed increase to the reservation period timeline (after securing an interconnection agreement) for public entities, from 12 to 18 months, allowing municipalities and other public entities to qualify for SMART at least 6 months earlier. We believe this longer timeline will enable more municipalities to participate in SMART. We would, however, recommend an even longer reservation period for municipalities, especially for towns, where the local government approval process can be delayed because of the infrequency of town meeting and other deliberative bodies. The process of distributing an RFP, soliciting responses, issuing an award, entering into a final contract with a developer, and obtaining all necessary local approvals is significantly more time consuming for municipalities, which would benefit from flexibility on the part of the Department.

The MMA believes the expansion of the SMART Program into further blocks is a necessary change that will incentivize continued solar development in the Commonwealth and make progress toward achieving our commitments under the Global Warming Solutions Act. While we are pleased that the Department has recommended expanding the SMART program by 800 MW, we believe that this figure is insufficient to manage the current pipeline of solar projects and the expected future interest in participation in the program. Moreover, we have concerns about the wait time for the recommended expansion to be rolled out, as this creates a great deal of uncertainty for municipalities that require longer lead times for planning, procurement, and local approval of projects. Therefore, we strongly recommend that the Department expand the SMART program beyond the proposed 800MW and expedite the roll out process.

While the MMA understands the importance of energy storage technology in enabling the capture and saving of excess energy for future use, we are concerned about recommended

changes to the SMART program that would require energy storage to be included in all projects over 500kW. We believe that requiring storage for every solar project, including for public entities, represents an unfunded mandate for municipalities that are investing in sustainable energy alternatives, and already incurring substantial upfront costs. To avoid an unnecessary barrier of entry for municipal customers, the MMA suggests that public entities be fully exempt from the energy storage requirement or be allowed a good cause exemption when it is not economical or feasible for a municipality to invest in storage.

We have heard from some of our members who have planned for solar carport projects that the carport adder is insufficient to make the project financially feasible for their community, even with the proposed increase to the public entity adder. Most municipalities have large asphalt parking lots as part of school and other municipal building complexes, and many have an interest in developing solar carports on this land. In order to better incentivize municipalities to invest in solar carport projects, we recommend that the Department re-evaluate the economics of the carport adder and consider increasing its value or providing an equivalent incentive.

We also have concerns about the proposed shift of new solar-specific local zoning projects from Category 1 land use eligibility to Category 2, where these projects will be subject to the greenfield subtractor, which is proposed to be increased by 500%. The MMA firmly believes in maintaining local control over zoning and land use, including the siting of solar projects. Downgrading projects located within municipalities that have solar specific local zoning bylaws, and applying a 5x greenfield subtractor to them, unfairly penalizes those cities and towns that have used their deliberative processes to pass local laws related to solar development.

Lastly, the MMA continues to advocate for the elimination of the net metering cap, which can prevent both public and private entities from moving forward with solar development projects once the cap has been reached. This is especially problematic in situations where municipalities have projects already in the queue that are no longer feasible because of the net metering cap. We believe that any state-administered solar incentive program is incomplete without a provision to eliminate the net metering cap for both private and public entities.

Thank you for the opportunity to submit this memo in response to the straw proposal of the SMART Program 400MW review. If you have any questions, or desire further information, please do not hesitate to have your office contact me at (617) 426-7272 or alovett@mma.org at any time.

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