



27 September 2019

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

**RE: Comments on SMART 400 MW Review Straw Proposal**

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Dear Commissioner Judson:

Thank you for the opportunity to comment on the Department of Energy Resources (DOER) SMART program reform straw proposal. SunPower is a global technology company involved in every step of the solar system supply chain. SunPower has over 7,000 employees worldwide, the world's highest efficiency solar photovoltaic panel technology, growing development of solar plus storage projects, and an extensive national dealer network mostly consisting of locally-owned small businesses. We have manufacturing facilities in California and Oregon, and headquarter our east coast commercial development team in Boston. SunPower has been expanding our Boston presence primarily due to the existence of the SMART program. Our Massachusetts business footprint also includes 22 small businesses who are a part of our residential and commercial dealer networks.

SunPower supports DOER's recognition that behind-the-meter (BTM) solar projects different policy support versus other solar market segments. Residential and commercial solar installations that are on-site and BTM are essentially building retrofits. Homeowners and commercial building owners have to be comfortable with the design and development of these on-site construction projects, not to mention be comfortable with the financial savings that the solar system could provide. It is a complicated and involved process, and SunPower appreciates DOER's willingness to more actively support these project types within the SMART program.

Additionally, DOER is not the only governmental entity that can provide policy support for BTM project development. Frankly, DOER cannot do it alone. Both the Department of Public Utilities (DPU) and the Legislature can step in and create supportive solar policies. SunPower encourages the Baker Administration to proactively support legislation that can provide the policy support to BTM system development that DOER has recognized as so important.

SunPower offers, below, specific comments on the SMART Program 400 MW Review straw proposal.

### **Program Expansion**

SunPower concurs with the Solar Commenters that recommend SMART be expanded by at least 3200 MW. The SMART program was expected to last four-to-five years. The high application volume is undeniable, and while the sustainability of the current application rate can be debated, it is also undeniable that solar deployment in Massachusetts is essential to meeting the Commonwealth's greenhouse gas reduction mandates. Therefore, there should not be a question whether SMART should be expanded, but by how much. There should not be a question that distributed solar must play a major role in the Massachusetts energy future. Instead, a strategy should be developed regarding how that solar deployment will occur. The straw proposal's 800 MW expansion is a good start, but it does not provide enough certainty for long-term business strategy planning. By expanding the SMART program by 3200 MW, DOER can set the backbone for that broader strategic vision.

### **AOBC Expansion to BTM STGUs**

SunPower concurs with Joint Solar comments regarding the expansion of the Alternate On-Bill Credit (AOBC) for BTM projects, and related proposed changes to the Value of Energy calculation.

We emphasize the Joint Solar concerns that AOBC is not yet calibrated to serve as the crediting mechanism for on-site solar projects. There needs to be a monthly crediting mechanism for AOBC in order to properly value self-consumption, as net metering currently does. Additionally, the timing gap between the expected Emergency Regulations filing and the finalized SMART tariffs could be a year or longer. BTM projects should be able to apply for AOBC as soon as the Emergency Regulations are in force. However, given this expected gap, these BTM projects could receive their Authorization to Interconnect before the SMART tariff updates are finalized. Since the DPU must finalize the tariff language, there is also no guarantee that AOBC would be structured in the exact way DOER envisions. SunPower would be happy to further discuss solutions to this implementation complication.

Alternatively, DOER could support H.2866, a bill that currently would exempt Class II and Class III BTM systems from the private net metering cap. SunPower suggests that DOER support expanding the BTM exemption to all BTM projects in the public and private caps. Net metering provides the necessary construct to value and net out self-consumption on a monthly basis. If signed into law, the implementation would be a simple compliance filing by the EDCs. This would provide a more permanent solution to the problem that DOER has identified as crucial to Massachusetts energy policy.

### **Base Compensation and Adders**

SunPower concurs with the Solar Commenters and supports the DOER proposal that locational adders no longer decline in value. We recommend that such a change be applied to all available

capacity at the time the regulations are changed, and not merely when the additional blocks open to application. Additionally, SunPower suggests that if the energy storage adder will still be subject to declining value, that it be done based on the storage capacity and not the solar capacity. This will lead to increased policy support for storage deployment through SMART.

SunPower supports the DOER proposal that the base compensation value for BTM systems decline 2% block over block.

### **Public Projects**

SunPower supports the proposal that the Public Entity adder be increased to \$0.04/kWh, and that all public projects will automatically be designated as Class I for land use purposes.

SunPower supports the DOER proposal to extend the public project reservation period. We also suggest that public projects be granted a longer reservation period, and more flexibility to handle project delays. Even if the reservation period can begin with a signed contract and last 18 months, there is reason for greater anticipation for project delays. Interconnection delays can last longer than the standard 6-month reservation extension. SunPower recommends that public projects be granted multiple 6-month extensions, an extended Reservation Period for delays in the System Impact Study process (like the SQ Guideline's Extended Reservation Period pending Authorization to Interconnect), and/or receive a longer standard reservation period of 24 months.

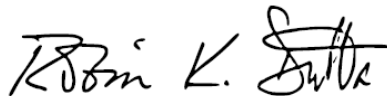
### **Storage and Metering**

SunPower concurs with the Solar Commenters on energy storage and metering.

### **Conclusion**

SunPower appreciates the opportunity to provide feedback on the SMART 400 MW Review straw proposal. We are committed to Massachusetts, and support the goals of the SMART program. Please feel free to reach out with any questions or for additional information.

Sincerely,



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