We applaud DOER’s efforts toward reconstituting the RPS and amending it to incentivize solar development in Massachusetts.  The $/MWh S-ACP rate is sufficiently high to spur investment, and will enable Massachusetts to attract solar development on highly favorable terms for the ratepayers and developers.  This $/MWh S-ACP rate will offer relative value over neighboring ISO-NE states (as well as PJM).  BrightPath Energy fully supports this straw proposal and would like to see these regulations promulgated into Q1 2010.

We would like to communicate, however, hesitation with regard to DOER’s ideas for utility securitization (Page 15 of the Solar RPS Carve-Out Straw Proposal – Public Stakeholder Meeting presentation, August 26, 2009).  Central procurement for long term REC contracts has proven least optimal for securing long-term REC off-take agreements between Utilities and developers.  New York state offers central procurement under a similar model, and $/MWh S-ACP values aside, has proven ineffective at sourcing long term contracts.  Central procurement in New York has proven ineffective at spurring development because Utilities, via the central procurement agency, regardless of $/MWh value, tend to seek shorter term contracts.  To the extent Utilities rely on central procurement entities to source RECs Utilities will find limited value in long term over-the-counter contracts (where most of the long term agreements are sourced).  By enabling a central procurement entity we believe DOER will add a non-trivial barrier to securing long-term REC contracts.

Thank you for the opportunity to comment.

Regards,

Michael Huerta