

**Commonwealth of Massachusetts
Executive Office of Energy and Environmental Affairs
DEPARTMENT OF ENERGY RESOURCES**

**SOLAR MASSACHUSETTS RENEWABLE TARGET PROGRAM 3.0
(225 CMR 28.00)**

GUIDELINE

Guideline Regarding Low Income Generation Units

1) Low Income Customer Eligibility

225 CMR 28.02 defines Low Income Customer as: *An End-use Customer that: (a) is on a low income discount rate of a Distribution Company; (b) is a resident in a Low Income Eligible Area; (c) provides documentation of participation in other needs-based programs, namely those that qualify customers for participation in a low income discounted rate, including but not limited to the Low Income Home Energy Assistance Program (LIHEAP), Supplemental Nutrition Assistance Program (SNAP), and Medicaid; (d) is a qualified participant in the Department's Massachusetts Solar for All Zero Interest Loan, Solar Lease, or Low Income Community Shared Solar Initiative; or (e) self-attests to meeting the Federal Low Income Requirements or the definition of Low Income Customer through a form developed by the Department.*

Below is further guidance on how Applicants can demonstrate customer eligibility through each of the criteria:

a) Is on a low income discounted rate of a Distribution Company

The Applicant shall provide a copy of the customer's most recent utility bill that shows they are enrolled in a discounted rate.

b) Is a resident in a Low Income Eligible Area

225 CMR 28.02 defines Low Income Eligible Area as: A neighborhood, as identified through American Community Survey data, that has household income equal to or less than 65 percent of the statewide median income for Massachusetts or a Federally Designated Environmental Justice Area.

225 CMR 28.02 defines Federally Designated Environmental Justice Area as: Communities defined as disadvantaged by the U.S. Environmental Protection Agency's Greenhouse Gas Reduction Fund and Solar for All program, including: (a) census tracts identified as "disadvantaged" by the White House's Climate and Economic Justice Screening Tool; (b) census block groups that are at or above the 90th percentile for any of the U.S. Environmental Protection Agency's EJScreen tool's supplemental indexes when

compared to the nation or state; or (c) geographic areas identified in the U.S. Environmental Protection Agency's EJScreen tool as within Tribal land.

To demonstrate that a customer lives in a Low Income Eligible Area via a Massachusetts Designated Environmental Justice Area, Applicants shall use the Massachusetts Environmental Justice Populations Map and provide a screenshot of the customer's address. The address must overlap with at least one of the following data layers to be eligible:

- i. Income
- ii. Minority and Income
- iii. Income and English Isolation
- iv. Minority, Income, and English Isolation

c) Provides documentation of participation in other needs-based programs

The Applicant shall provide sufficient proof that the customer is actively enrolled in a needs-based program that would also qualify them for a Distribution Company's discounted rate, such as LIHEAP, SNAP, or Medicaid. A full list of eligible programs can be found on each Distribution Company's website:

- i. [National Grid](#)
- ii. [Eversource](#)
- iii. [Unitil](#)

d) Is a qualified participant in the Department's Massachusetts Solar for All Program Zero Interest Loan, Solar Lease, or Low Income Community Shared Solar Initiative.

The Applicant shall provide documentation that the customer has been approved for and will participate in the Department's Solar for All Program, such as an application approval confirmation.

e) Self-attests to meeting the Federal Low Income Requirements or the definition of Low Income Customer

225 CMR 28.02 defines Federal Low Income Requirements as: For metropolitan areas, individuals and households with incomes at or below the greater of: (a) 80 percent area median income and (b) 200 percent of the federal poverty level. For non-metropolitan areas, individuals and households with incomes at or below the greater of: (a) 80 percent area median income; (b) 80 percent Statewide non-metropolitan area median income; and (c) 200 percent of the federal poverty level. Such designations may be identified using the U.S. Department of the Treasury's Community Development Financial Institutions Fund's Investment Area Eligibility dataset.

If a customer meets this definition or the definition of Low Income Customer but prefers not to be qualified through one of the options detailed above, they may self-attest to their eligibility by signing the Low Income Customer Self-Attestation Form provided on the Department's website.

2) Low Income STGU Eligibility

Per 225 CMR 28.07(5)(c)2., there are several ways that an STGU ≤ 25 kW AC can qualify as a Low Income STGU. Below is further guidance on how Applicants can demonstrate eligibility through each of the criteria:

- a) Provide 100 percent of the generation output as electricity or Bill Credits to a single Low Income Customer and be located on that Low Income Customer's residence

The Applicant shall provide documentation that the customer meets the definition of Low Income Customer, through one of the methods detailed in Section 1 of this Guideline, and provide the Solar Contract between the customer and Primary Installer.

- b) Provide at least 15 percent of the generation output as electricity or Bill Credits to one Low Income Customer

The Applicant shall provide documentation that the customer meets the definition of Low Income Customer, through one of the methods detailed in Section 1 of this Guideline. The Applicant shall also provide a Schedule Z or AOBC allocation form demonstrating that the customer will receive at least 15 percent of the generation output.

Per 225 CMR 28.07(5)(c)2.b.v., if the STGU is Behind-the-Meter, the Applicant must also demonstrate that the STGU will have at least 15 percent excess generation to allocate to the customer. This documentation may include an analysis of the STGU's estimated monthly production in kWh, the estimated on-site usage (through historical utility bills), and the estimated excess production.

Per 225 CMR 28.07(5)(c)2.b.vi., if the Low Income Customer is no longer an off-taker at any point in the STGU's tariff term, the Applicant shall replace them with another eligible Low Income Customer and provide updated documentation to the Department within 30 days of the replacement.

- c) Provide at least 15 percent of the annual generation output as electricity or Bill Credits to two or three Low Income Customers at no cost to the Low Income Customers, provided that a single Low Income Customer's annual usage is less than 15 percent of the Generation Unit's output

The Applicant shall provide all of the same documentation as under Section 2(b) of this Guideline. The Applicant should also provide documentation that a single Low Income Customer's annual usage would be less than 15 percent of the STGU's output and that the 15 percent will sufficiently serve two or three Low Income Customers. This may include historical utility bills showing the customers' annual usage, the estimated monthly production of the STGU, and the allocation of production amongst the customers.

- d) Provide 100 percent of the annual generation output as electricity or Bill Credits to one or more qualified Low Income Properties

The Applicant shall provide the following documentation:

- i. Evidence that the off-taker(s) meets the definition of a Low Income Property;
- ii. If the STGU is not located Behind-the-Meter of the Low Income Property, the Applicant shall provide a Schedule Z or AOBC allocation form demonstrating that 100% of the generation output will be allocated to the Low Income Property; and
- iii. Evidence of a minimum agreement term of 20 years for the Low Income Property to receive the generation output.

3) Low Income Property STGU Eligibility

Low Income Property STGUs are **>25 kW AC** and provide all of their generation output in the form of electricity or Bill Credits to a Low Income Property.

225 CMR 28.02 defines Low Income Property as: *One of the following properties: (a) low- or moderate-income housing, as defined under M.G.L. c. 40B; (b) condominiums that are deed-restricted to provide low income home ownership or rental opportunities; (c) homeless shelters, as defined in 105 CMR 410.010: Definitions; (d) a residential rental building that participates in a covered housing program as defined in the Violence Against Women Act of 1994, § 41411(a), 34 U.S.C. § 12491(a)(3); (e) a housing assistance program administered by the Department of Agriculture under Title V of the Housing Act of 1949, 42 U.S.C. §§ 1471 et seq.; (f) a housing program administered by a tribally designated housing entity as defined in the Native American Housing Assistance and Self-Determination Act of 1996, § 4(22), 25 U.S.C. § 4103(22); (g) other affordable housing programs as determined by the Department; or (h) private entities that meet the requirements of 225 CMR 28.07(5)(c)3.a.i.*

a) Eligible Properties

If an STGU is proposing to serve one of the property types listed in (a) through (g) of the definition, the Applicant shall provide documentation of the property's qualification under such program or status.

If an STGU is proposing to serve a private entity, the Applicant shall provide documentation that either:

- i. At least 25 percent of the housing available at the property is required to be rented to households that are at or below 80 percent of the area median income; or
- ii. At least 20 percent of the housing available at the property is required to be rented to households that are at or below 50 percent of the area median income.

The Applicant should also provide documentation that the property to be served by the STGU will remain an eligible property for at least the full 20-year SMART term. This documentation may include, but not be limited to:

- i. Regulatory Agreement (memorializes affordability restrictions between owner and state or federal agency);
- ii. Deed Restriction;
- iii. Loan Agreement;
- iv. Affordable Housing Restriction (lists the number of restricted units, income to which they are restricted to, and term of agreement);
- v. Housing Assistance Payments (HAP) Contract (documents section 8 provisions or state vouchers);
- vi. Rent Roll/Income Report (shows actual annual income of existing residents);
- vii. Utility Program Affordability Restriction;
- viii. Tax Credit Regulatory Agreement and Declaration of Restrictive Covenants; or
- ix. Conditional Reservation Letter issued by the Executive Office of Housing and Livable Communities (EOHLC).

Information provided to the Department is presumed to be a matter of public record. Any confidential or sensitive materials or data relative to a specifically named individual, the disclosure of which may constitute an unwarranted invasion of personal privacy or otherwise protected by law, should not be provided to the Department. Consistent with this instruction, Applicants may redact those portions of the documents listed above and include a notation certifying as to why something has been redacted. The Department reserves the right to confirm the accuracy of any redacted materials on a case-by-case basis.

b) Generation Output Delivery

The Applicant shall either provide documentation that the STGU is sited on a Low Income Property and serving on-site load, or that 100 percent of the generation output from the STGU is being allocated to one or more Low Income Properties through a Schedule Z or AOBC form.

c) Third-Party Owned STGUs

If the STGU is owned by a third party, the Applicant shall provide documentation of a minimum agreement term of 20 years or a demonstration of intent to renew the agreement for the Low Income Property to receive the generation output.

d) Optional Pre-Determination

The Department recognizes that in some circumstances, an Applicant planning to submit a Statement of Qualification Application may request guidance from the Department if a potential Generation Unit is likely to qualify as a Low Income Property STGU. The Applicant may submit a written request for a Pre-Determination Letter, with supporting documentation as described above, to DOER.SMART@mass.gov. The Department will issue a Pre-Determination Letter indicating if the proposed STGU is likely to qualify as a Low Income Property STGU. All final determinations of a Generation Unit's eligibility

will be made at the time of issuance of a Final Statement of Qualification under 225 CMR 28.06.