

March 19, 2015

Chair Angie O'Connor
Department of Public Utilities
One South Station
Boston, MA 02110

Acting Commissioner Dan Burgess
Department of Energy Resources
100 Cambridge Street
Boston, MA 02114

Dear Chair O'Connor and Commissioner Burgess:

We write to you as members of the Net Metering and Solar Task Force, created last year (by Ch. 251 of the Acts of 2014) to "report on its findings and make recommendations to the legislature to encourage the continued expansion of solar generation in the commonwealth" in order to suggest a course of action for completion of the Task Force's work in a timely fashion.

As you know, progress has been made toward these objectives but it is a complex matter and more work needs to be done. Since the Task Force began meeting in November, DOER has hired consultants to gather information on the design and impacts of solar policies in other states. In consultation with the Task Force, the consultants developed two policy paths with different elements, whose benefits and costs are being analyzed to inform the Task Force recommendations on policies that might be implemented going forward in Massachusetts. We anticipate that we will soon have the benefit of the results of their analysis and some indication of the impacts different policy elements would be likely to have on the future development of solar generation capacity in this state.

However, several important pieces necessary for developing effective Task Force recommendations are not yet complete. These include review and deliberation on the consultants' analysis of the potential costs and benefits of various incentive options and net metering frameworks, as well as analysis on the costs and benefits of the net metering framework from the perspectives of customer-generators, non-participating ratepayers, and citizens of the commonwealth at large. Additional time will be needed to incorporate this information and the insights it offers into the Task Force's development of its recommendations. Until that analysis is done and we have had time to review it, it will not be possible for the Task Force to complete its charge and discuss and form recommendations to the legislature. The consultants' report will aid the Task Force in developing its recommendations but will not represent agreement among members of the Task Force on policies that would "encourage the continued expansion of solar generation in the commonwealth."

We think that there is broad if not universal agreement among the Task Force members that there is a pressing need to develop a sustainable framework of policies and incentives for the

continued expansion of solar generation to achieve at least 1600 MW of solar in Massachusetts by 2020. The deliberations to date among Task Force members have established a constructive atmosphere of dialogue and information sharing, which has the potential to foster collaboration and problem-solving in the future. We continue to negotiate in good faith toward the development of widely supported policies and proposals for legislation that would successfully achieve a balance between continuing to drive the solar industry forward and ensuring that we do so efficiently.

Two things stand in our way. First, it will be a challenge to complete the work of developing a full policy recommendation to the Legislature by March 31. Second, as projected, some of the net metering caps have already been reached, halting the development of solar activity in certain areas and threatening to halt it soon in others. There is a near term need to raise these caps or adjust their application so that solar development activity can be maintained while the incentive structure is reviewed.

Therefore, we respectfully request that you on behalf of the Task Force advise legislative leaders of the need for the Task Force to continue its work with the objective of reaching agreement on recommendations regarding policies and legislation that would accomplish the goal originally given to the Task Force. We also ask that the Task Force inform the legislature of the need to address the fact that public net metering caps have been reached in one service territory and are likely to be reached soon in others. While interim cap increases are far from our desired course of action, we must address the consequences for solar development of inaction in this regard.

We are optimistic that the legislative leaders will recognize the great potential benefit of continued dialogue among Task Force members and will welcome a respectful request for more time to accomplish the goal it has been given.

Sincerely,

Fred Zalcman, Sun Edison on behalf of SEIA
William Stillinger, PV Squared on behalf of SEBANE
Geoff Chapin, Next Step Living
Janet Gail Besser, NECEC
David Colton, Town of Easton on behalf of MMA
Lisa Podgurski, IBEW