

1. The Commonwealth must not in any way alter the existing program for the first 400 Megawatts in implementing a new program to promote further development of solar energy. Any change in the expectations of investors in the first 400 Megawatt program will increase the perceived political risk of both programs and subvert the credibility of the Commonwealth for future programs in the eyes of the capital markets.
2. If the Commonwealth were to alter the existing program in any way that would have a negative impact on existing investors in the current 400 Megawatt program, these investors (including home owners, schools, local banks and other lenders, municipalities and power-purchase agreement providers) and other prospective investors (including the broader debt and equity capital markets investors) in the new program would have to assume that any incentive promised by the Commonwealth could be changed at any time; thus causing these investors to ascribe very little value to the promises of any incentives made by the Commonwealth. The follow-on consequence of this would be an immediate and abrupt reduction or elimination of the flow of funds from investors and lenders to solar projects in the Commonwealth.
3. To promote investment, it is fundamental that above all else the government must create and keep a stable political environment for such investments, keep its promises and bolster confidence. The Commonwealth's ability to attract investment capital is undermined by any perceived increase in the mere probability that changes applicable retroactively to investments previously made (even changes that improve investors' economics) might be made to the laws and regulations governing such investments, or to the ways such laws and regulations are enforced or interpreted. Such political uncertainty only adds to the other risks accompanying any investment.
4. Rather than risk its reputation and its ability to increase employment in the solar industry and in other innovative and growing sectors, the state must keep its promises and not make any changes to the Solar Carve-Out program for the first 400 Megawatts.

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