

Massachusetts Department of Environmental Resources  
Re: Public Comment  
225CMR14.06(3)

To Whom It May Concern:

Our companies, Quabbin Wind, Quabbin Solar, Barre Wool Solar, Blackcomb Solar, Shop Solar, Three Rivers Solar and KB Solar, were all formed in 2010 and 2011 and developed over eight megawatts of solar generating facilities that were qualified under, and continue to operate within the state's SREC 1 program. The developers and owners of these facilities are Massachusetts natives and residents who continue to own and operate these facilities.

We are writing the Department to express our serious concern over the proposed changes to 225CMR14.06(3), specifically the proposed section (f) which would replace section (e)

*(e) The length of the Opt-in Term shall be 40 quarters for all Solar Carve-out Renewable Generation Units that receive a Statement of Qualification.*

*(f) Starting in the calendar quarter after the end of a Solar Carve-out Renewable Generation Unit's Opt-in Term, it shall no longer be eligible to generate Solar Carve-out Renewable Generation Attributes, but will remain qualified to generate RPS Class I Renewable Generation Attributes.*

Our companies built our projects using business model projections based upon the above section (e) which, by law, allowed us to mint SREC's and Opt-In to the clearinghouse auction for 40 quarters and, after the 40 quarters, continue to mint SREC's until the 40<sup>th</sup> quarter of the final qualified SREC 1 project was reached. We based our financial models on SREC generation continuing for 2-3 years subsequent to our 40 quarter Opt-In term, which is clearly allowed by the legislation. Our investors invested into our projects based upon this financial return.

Also, please be advised, we are currently bound by contracts requiring our company to deliver a minimum number of SREC's to buyers in 2022 and 2023. These companies contain penalty clauses for non-delivery of the minimum number of SREC's. Under the proposed changes to 225CMR, we would be in breach of those contracts and subject to severe financial penalties.

In good faith, we invested considerable time and resources in 2011 and 2012 into the Massachusetts Solar Carve Out program during a time when the installation cost per watt was 2-3 times the current cost per watt of installation. All of our financial models relied upon the

additional 2 years of SREC generation after the 40-month Opt-In term expired in order to substantiate these investments into the Massachusetts renewable energy market. We also confirmed twice, via e-mail, with the Massachusetts Department of Public Utilities that our ability to generate SREC's in the SREC 1 program would continue after the 40 quarter Opt-In period expired and until the final qualified unit completed their 40 quarter Opt-In period.

To now be faced with a change in the market terms almost 9 years after we made these commitments, changes that could have disastrous effects on our company and our investors, is extremely disappointing and concerning. We respectfully request that the Department eliminate this change from the final revisions to 225CMR and honor the original intent and commitment the state of Massachusetts made to the early investors into this program.

Sincerely,

Dean Iandoli

President

Quabbin Solar

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