SMART 3.0 FAQ

July 11, 2025

This FAQ document is intended to provide clarifications on the forthcoming SMART 3.0 program and the process for transitioning between programs. DOER is currently accepting public comments on the SMART 3.0 regulations under <u>225 CMR 28.00</u> until <u>July 25, 2025</u>. DOER encourages stakeholders to submit their public comments to <u>DOER.SMART@mass.gov</u> as soon as possible to ensure all feedback is captured.

What will the incentive rates and available capacity be for Program Year 2025?

Program Year 2025 will be open from October 15, 2025 to December 31, 2025. DOER will post a Report for Program Year 2025 on its website no later than September 2, 2025. The Report will contain:

- Capacity Block
- Capacity Allocation
- Capacity Set Asides
- Base Compensation Rates
- Compensation Rate Adders
- Flat Incentive Rate for systems <25 kW

As stated in the regulation, the Report for Program Year 2025 will be based on the *Evaluation of Solar Costs and Needed Incentive Levels across Sectors from 2025-2030* that is available on DOER's <u>website</u>. As such, DOER expects that the compensation rates for 2025 will mirror what was published in the <u>Straw Proposal</u> in July 2024.

What will the incentive rates and available capacity be for Program Year 2026?

Program Year 2026 will be open from January 1, 2026 to December 31, 2026. DOER will post a draft Report for Program Year 2026 on its website no later than October 1, 2025.

DOER is currently working with BW Research Partnership to conduct the Annual SMART Program Assessment that is outlined under 225 CMR 28.05. This summer, BW will collect industry cost data to use as inputs in the System Advisor Model (SAM) to develop recommendations for 2026 incentive rates. DOER will consider the outputs of the model as well as the factors listed in 225 CMR 28.05(1)(a) when determining the final incentive rates and available capacity.

When and where will DOER post Guidelines to accompany the regulations?

DOER will post Guidelines to the SMART 3.0 website on a rolling basis as they become available. An announcement email will be sent out when new Guidelines are posted. DOER will accept public comments on the Guidelines on a rolling basis throughout the rulemaking period. The final versions of all Guidelines will be posted to DOER's website before the program launch on October 15th.

If I have an operational solar system, can I enroll in SMART 3.0?

No, any solar system that has already received Permission to Operate will <u>not</u> be eligible for SMART 3.0.

If I have a Preliminary Statement of Qualification under SMART 2.0, can I withdraw and reapply to SMART 3.0?

Yes, if a project meets the construction date requirements (see below) and all other eligibility criteria of SMART 3.0, it may choose to withdraw its <u>Preliminary</u> Statement of Qualification under SMART 2.0 and reapply.

What are the construction date requirements for qualifying for SMART 2.0 vs. SMART 3.0?

To qualify for SMART 3.0, a project must provide documentation to show that on-site construction did <u>not</u> begin before **June 20, 2025**.

Systems located on a Low Income Property may qualify for SMART 3.0 by providing documentation to show that on-site construction did <u>not</u> begin before **July 1, 2024**.

The current SMART 2.0 program will remain open for applications until December 31, 2026. To qualify for SMART 2.0, a project must provide documentation to show that on-site construction began before **December 31, 2025**. If a project has not begun construction before December 31, 2025 but wishes to qualify under SMART 2.0, the applicant must demonstrate that significant investment was made in the project prior to December 31, 2025 and that the project would not meet the eligibility criteria of SMART 3.0.

Do the Project Segmentation requirements under 225 CMR 28.08(5) only apply to projects that are receiving a Statement of Qualification under SMART 3.0?

Yes, the Project Segmentation requirements only apply to multiple projects on the same parcel that are qualifying under SMART 3.0. In other words, if a parcel has existing solar systems that were qualified under the SREC, RPS, or SMART 2.0 programs, those systems would <u>not</u> count toward the parcel limitations for SMART 3.0.