

June 1, 2020

Commissioner Patrick Woodcock
Massachusetts Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: 225 CMR 20.00 Solar Massachusetts Renewable Target (“SMART”) Program Emergency Regulations Comments – Enhance Low income (“LI”) Participation

Dear Commissioner Woodcock,

The undersigned organizations (“LI Solar Advocates”) write to provide our comments on the 225 CMR 20.00 Solar Massachusetts Renewable Target (“SMART”) Program Emergency Regulations. Specifically, we write to recommend improvements to enhance the participation of and benefits for low income (“LI”) customers.

We appreciate that the Department of Energy Resources (“DOER”) recognizes that the amount of solar serving LI customers through SMART is inadequate and needs to be increased. We support the incremental work that DOER has done in the Emergency Regulations to expand the definition of LI and create a minimum set-aside for LI related solar projects. ***There is more that must be done to ensure that these changes are effective.***

As we broaden the definition of LI to include more deserving customers, there is an opportunity to balance the broadening definition and its good intentions with ensuring that the subset of LI customers most in need and most at risk for exclusion are not left behind by SMART. These at-risk customers include: 1) customers on a low-income discounted rate of a Distribution Company, 2) low or moderate income housing, as defined under M.G.L. c. 40B, and 3) residents of low income communities as defined under the environmental justice framework.

We propose clarifications to the Emergency Regulations and Guidelines to ensure these at-risk customers: 1) **receive meaningful and transparent savings**, 2) **experience a streamlined transaction**, and 3) **are actively included by the market** by allowing for a credit allocation mechanism that does not require contracts for LI customers. The goal is to increase the adoption of solar by the most vulnerable populations in the Commonwealth in an easy manner with no risk to the LI customers.

To accomplish this goal, we recommend making the following italicized clarifications to the definitions for Low income Solar Tariff Generation Unit, Low Income Community Shared Solar Tariff Generation Unit, and Low Income Property Solar Tariff Generation Unit.

Low Income Solar Tariff Generation Unit. To qualify as a Low Income Solar Tariff Generation Unit, the STGU must be ≤25kW, and the Owner or the Authorized Agent of the STGU must provide evidence satisfactory to the Department that demonstrates either a) 100% of the

Generation Unit's output is provided to a Low Income Customer; **or b) electricity or bill credits equal in value to at least 67% of the difference between 230% of the Generation Unit's Base Compensation Rate and 200% of its Base Compensation Rate is allocated to a Low Income Customer at no cost to the Customer.**

Low Income Community Shared Solar Tariff Generation Unit. A Community Shared Solar Tariff Generation Unit with (a) at least 50% of its energy output allocated to Low Income Customers in the form of electricity or bill credits; **or b) allocates value in the form of electricity or bill credits equal to at least 67% of the Generation Unit's Low Income Community Shared Solar Off-Taker Based Adder Rate to End-use Customers on a low-income discounted rate of a Distribution Company; this value must be allocated at no cost to the End-use Customers.**

Low Income Property Solar Tariff Generation Unit. A Solar Tariff Generation Unit with a rated capacity greater than 25 kW that provides (a) all of its generation output in the form of electricity or bill credits to low or moderate income housing, as defined under M.G.L. c. 40B; **or b) allocates value in the form of electricity or bill credits equal to at least 67% of the Generation Unit's Low Income Property Off-Taker Based Adder Rate to low or moderate income housing as defined above; this value must be allocated at no cost to the End-use Customers.**

The upfront calculation and guidelines for determining qualification under the above definitions are relatively straight forward and proposed edits to the Guidelines are attached. In summary, below is an example as to how this could occur.

Bill Credit Allocation = 67% x (Low Income Community Shared Solar Off-Taker Based Adder in \$ per kWh / value of Bill Credit in \$ per kWh)

*For example, the Bill Credit Allocation to **End-use Customers on a low-income discounted rate of a Distribution Company** for a facility located in Eversource NEMA based on the first tranche of the **Low Income Community Shared Solar Off-Taker Based Adder** and assuming market net metering credits valued at \$0.12 per kWh would be equal to (67% x \$0.06 per kWh) / \$0.12 per kWh = 33.5%. To be eligible for the **Low Income Community Shared Solar Off-Taker Based Adder**, this example project would need to submit a Schedule Z in which at least 33.5% of the NMCs are allocated to **End-use Customers on a low-income discounted rate of a Distribution Company at no cost**. This same calculation would be applied to other credit values as needed.*

We look forward to working with DOER and other advocates to ensure SMART works for all communities in the Commonwealth, especially those most in need and most vulnerable to exclusion under the broadened definition.

These revisions would reduce barriers to participation for at risk customers in line with how SMART currently operates, while increasing customer protections and guaranteeing savings and inclusion for at risk customers. Please let us know if we can be of further assistance.

Thank you for your consideration in this matter.

Sincerely,

Daniel Mello Guimaraes
Vice President, SEBANE



Deb Pasternak
Director, Sierra Club Massachusetts Chapter



Nathan Phelps
Regulatory Director, Vote Solar



Jeremy McDiarmid
Vice President, NECEC



DeWitt Jones
Executive VP, BlueHub Capital



Deborah Frieze
President, Boston Impact Initiative



Jonathan Abe
CEO, Sunwealth Power



Michael Green
ED, Climate Action Business Association



Benjamin Underwood
Co-CEO, Resonant Energy



Peter F. Smith
CEO, Citizens Energy



Perry B. Newman
CEO, Dorchester Bay EDC



Loie Hayes
Board of Directors, BCAN



Alex Papali
Green Justice Organizer, Clean Water Action



Nia Evans
Director, Boston Ujima Project



Costantino Nicolaou
CEO, PanelClaw



Rev. Fred Small
ED, MA Interfaith Power and Light



Gabe Shapiro
Co-ED, Partnerships, All In Energy

