

REM

RENEWABLE ENERGY MASSACHUSETTS LLC

June 1, 2020

Mr. Eric Steltzer
Director- Renewable Energy Division
Massachusetts Department of Energy Resources
By email

Dear Mr. Steltzer,

Renewable Energy Massachusetts LLC ("REM") is pleased to share its comments on the proposed revisions to the Massachusetts SMART program announced by the DOER on April 15, 2020. As a brief background note, REM is a Massachusetts-based solar development company and a long-time member of the Northeast Clean Energy Council (NECEC). REM has been actively involved in the Massachusetts solar industry since the beginning of the Green Communities Act and, over the last decade, has permitted and installed over 45 megawatts (MW) of solar projects, including community solar, brownfield, landfill and industrially-located projects that are operating today across Massachusetts.

In addition to the comments of the NECEC that we support, we respectfully request the DOER consider the following recommendation for the final revision of the SMART program:

Expand the Pool of Government Agencies that can Qualify for the "Public Entity Adder"

Notwithstanding the extensive number of solar projects that have already been developed under the SMART program, relatively few have involved public entities as offtakers. As reported as of May 20, 2020, the Public Entity adder is stuck in Tranche 1, with only 23.6 MW of the tranche's 80MW of capacity allocated, and a modest 5MW of further capacity listed as "pending." (See Appendix.) By comparison, community shared solar is currently in tranche 11, with over 600MW of projects, and the remaining tranches of that adder are poised to be consumed very quickly. The modest level of public entity participation in the SMART program benefit is a consequence of the overly restrictive public entity adder qualification standards in place today. In light of the current Covid recession and the dire fiscal condition that municipalities and governmental agencies across the Commonwealth face, we encourage the DOER to redefine and liberalize the public entity adder qualification standard as it applies to projects located on privately-owned host sites.

After nearly a decade of net metering credit PPAs entered into by municipalities and agencies during the SREC I and II era, it is a serious challenge today for project developers like us to locate a governmental agency that: (a) has sufficient remaining AOBC credit offtake capacity to purchase 100% of the output of a large, 4 or 5MW ground-mounted project (essentially, meaning such a town or agency has not previously signed a PPA) ***and*** (b) is located within the same municipal town limits as a project. One of our projects under development today is

located on a private host site in Eversource East territory. In short, because the host municipality entered into one or more net metering contracts during SREC I/II, its remaining SMART AOBC credit offtake capacity is a fraction of the proposed project's output. Consequently, the project is unlikely to share a single dollar of SMART benefits with the host municipality (or any other municipality or government agency) because the host town cannot purchase 100% of the credit output.

Proposed Public Entity Adder Qualification Standard for Private Host Sites

We strongly encourage the DOER to redefine the public entity adder qualification standard for a project located on a privately-owned site as follows:

“the Owner has assigned 100% of its output to the Municipality or Other Governmental Entity located in the same Municipality in which the Solar Tariff Generation Unit is sited and up to three (3) other Municipalities or Other Governmental Entities located in Massachusetts and served by the same Distribution Company as serves the Solar Tariff Generation Unit.”

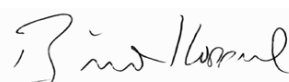
In addition to significantly expanding the pool of cities, towns and governmental agencies across Massachusetts that can realize energy savings under the SMART program, our proposed revision will be particularly helpful to governmental agencies located in Eversource East's NEMA service territory. As everyone knows, the many large, densely-populated municipalities served by Eversource East, including Boston, Cambridge and Newton, are unlikely to have large tracts of land available and, due to the high cost of real estate inside Route 128, are even less likely to have large SMART projects located within their municipal territories. Furthermore, few of these Eversource NEMA cities, towns and agencies were previously offtakers in net metering PPAs during the SREC I and II programs due to DPU regulations that excluded Eversource NEMA municipalities from purchasing net metering credits from solar projects located in Eversource SEMA. Under the public entity adder rules as currently written under SMART, these Eversource East cities' AOBC credit capacity will be largely squandered. We believe our proposed revision to the public entity qualification standard will make it substantially more likely that municipalities and public agencies across Massachusetts, and particularly in Eastern Massachusetts, will be able to participate in the financial benefits of the SMART program in the years to come. We would like to enter into PPAs with them.

REM is grateful to have this opportunity to share our comments on the updated SMART program.

Sincerely,



Robert M. Knowles
Partner & Co-Founder



Brian Kopperl, Esq.
Managing Partner & Co-Founder

Appendix

SMART Solar Tranche Status report as of April 23, 2020
(as reported by Eversource SMART website)

SMART Solar Tranche Status			Last Update: 4/23/2020	8:45 AM
Compensation Adder Type	Accepting Applications for Tranche:	Tranche Size (MW)	Total Allocated Capacity (MW)	Total Pending Capacity (MW)
Agricultural	1	80	9.283	0.000
Brownfield	1	80	11.071	0.000
Building Mounted	2	80	104.992	10.137
Canopy	1	80	41.435	5.980
Floating	1	80	0.000	0.000
Landfill	1	80	33.612	0.000
Community Shared	11	60	601.317	17.021
Low Income Community Shared	1	80	26.154	6.085
Low Income Property	1	80	0.900	0.000
Public Entity	1	80	20.768	2.342
Energy Storage	5	80	362.332	4.312
Solar Tracking	1	80	15.747	0.000