



Massachusetts
Municipal
Association

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June 1, 2020

Attn: Kaitlin Kelly
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: SMART Emergency Rulemaking - 225 CMR 20.00

Dear Ms. Kelly,

On behalf of the cities and towns of the Commonwealth, the Massachusetts Municipal Association appreciates the opportunity to provide comment on the changes DOER made to the SMART program regulations under 225 CMR 20.00. Municipalities are proud to partner with DOER to advance the Commonwealth's clean energy goals, meet our communities' local energy needs, and save taxpayer money.

The MMA was pleased to see the SMART program capacity increased by an additional 1,600 MW. In our comments on the SMART 400 MW review in September 2019, the MMA asked DOER to consider expanding the program beyond the initial proposal of an additional 800 MW. We are confident that this increased capacity will facilitate greater participation in the solar incentive program, especially by municipalities and other public entities.

We also appreciate that DOER moved forward with increasing the public off-taker adder from \$0.02/kWh to \$0.04/kWh, as was proposed in the 400 MW review straw proposal. As we summarized based on DOER data in our previous letter, only 2% of projects greater than 25 kW had planned to take advantage of the public off-taker adder, and the project costs for public entities are often greater than the savings from the adder. Therefore, we applaud the increase in the adder as a step toward making participation in the SMART program more financially beneficial for municipalities.

The new private parcel allowances for defining a public entity Solar Tariff Generation Unit will also benefit certain municipalities eager to participate in the SMART program. We are pleased that projects sited on privately-owned property, and either owned or operated by the municipality in which they are sited or where the owner of the project has assigned 100% of its output to the host municipality, would fall under the definition of public entity STGUs in the new regulations.

Even with the proposed regulatory changes that will certainly benefit public sector participation in the SMART program, we respectfully request that DOER consider an additional change. STGUs that qualify for the public entity adder are eligible to apply early for a Preliminary

Statement of Qualification as part of a special provision for public entity STGUs. However, this regulation excludes lease or PILOT-only STGUs that are sited on publicly owned land, such as a capped landfill or a wastewater treatment facility. These lease and/or PILOT revenues are vital to municipalities, and we believe these projects should be allowed the same early application special provision as other projects on publicly owned land. The MMA has been in communication with several municipalities, including Hamden and Yarmouth, with pending solar development projects on municipally owned land with a lease or PILOT agreement in place that have seen meaningful delays in being slotted into a SMART program block because they do not qualify to apply early for a SOQ. We are not seeking a higher incentive payment for these types of projects through the public entity adder, but simply to enable them to qualify for the special provisions for public entity STGUs, including early application for a SOQ. These projects are still subject to the same lengthy timelines that we frequently see with public entities and have received an RFP award through a public procurement process.

Therefore, we recommend that the regulation language under section 20.06: Qualification and Block Reservation Process for Solar Tariff Generation Units be revised as follows:

*(l) Special Provisions for Public Entity Solar Tariff Generation Units. A Public Entity Solar Tariff Generation Unit or **a Solar Tariff Generation Unit on Public Land that benefits a Public Entity through lease payments** may apply for a Statement of Qualification pursuant to 225 CMR 20.06 (1)(c) by providing satisfactory evidence to the Department that a Municipality or Other Governmental Entity has awarded a contract to develop a Solar Tariff Generation Unit.*

Thank you for the opportunity to submit this letter of comment in response to the SMART Emergency Rulemaking process for 225 CMR 20.00. If you have any questions regarding our comments, or require additional information, please do not hesitate to contact me or MMA Legislative Analyst Ariela Lovett at alovett@mma.org at any time.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Beckwith', written in a cursive style.

Geoffrey C. Beckwith
Executive Director & CEO