



Director Eric Steltzer  
Renewable Energy Division  
Massachusetts Department of Energy Resources  
100 Cambridge Street, Suite 1020  
Boston, MA 02114

June 1, 2020

**RE: Mass SMART Emergency Regulations - Comments**

Dear Director Eric Steltzer and Deputy Director Kaitlin Kelley,

We want to thank both of you and the Department of Energy Resources (DOER) for taking the time to listen so carefully to MassSolar's thoughts and suggestions outlined in our letters dated April 25, 2019 and June 5, 2019 regarding the SMART program 400 MW review. We also want to thank you for taking action to expand the SMART program with a focus on achieving the DOER's goals for diversity.

Thank you for expanding the program to 3,200 MW. MassSolar continues to support the industry's coalition position that the SMART program should be expanded substantially above and beyond the 3,200 MW currently proposed.

We would also like to thank you for implementing the mid-size system carve out, for increasing the public adder, and for increasing the time municipalities have to complete their projects. These very positive changes will go a long way to achieving the DOER's goals for diversity.

We remain concerned that the incentive levels for small and mid-sized projects and behind the meter projects are not set at appropriate levels. Most of these types of projects will not be financially viable at higher block numbers. We would encourage DOER to review and update base rates to ensure that compensation levels at minimum exceed the value of Class I RECs. This is especially urgent given the increased costs associated with doing business under coronavirus restrictions.

We would like to propose the following solutions to allow the SMART program to better achieve its goals.

1. **Modify the Behind the Meter (BTM) incentive calculation to ensure it is not allowed to be negative before considering adders.** The BTM incentive calculation should not be allowed to diminish the value of adders. By way of comparison, the

standalone incentive calculation is not allowed to go negative. This creates an unfair bias against BTM projects, which should be remedied.

2. **Make the 2% rate of decline applicable to the next whole capacity block.**
3. **BTM systems should not be required to implement energy storage.** There are many physical, safety, and regulatory constraints that will prohibit installation of BTM energy storage.
4. **Eliminate the storage adder inequity for small STGUs.** The NPV of the 10-year storage adder for small systems should be equivalent to the 20-year NPV for systems sized over 25 kW. The storage adder adjustment should be retroactive.
5. **Dual axis solar trackers** should be eligible for system adders. These high producing systems can easily produce enough power to offset the average residential load. We would suggest adding dual axis solar trackers under 25 kW in size to the canopy adder.
6. **Increase compensation for BTM systems.** BTM systems provide substantial advantages for the Commonwealth, including lower transmission and interconnection costs, and increased resilience. MassSolar requests that DOER provide an adder for rooftop projects of all system sizes that require re-roofing in order to proceed.
7. **Unused capacity** from uneconomic projects consumes capacity in the program. When uneconomic projects aren't built, the unused capacity should be added back into the program with at the block compensation rate the project was originally assigned.

Finally, we would also like to thank the DOER for stating its intention to allow BTM solar projects to utilize the Alternative On Bill Credit. However, we are still looking forward to receiving clear guidance clarifying that BTM systems are allowed to receive those credits and providing guidance regarding how this will be implemented.

We look forward to working with you in the future and would be happy to answer any questions you may have.

Best regards,



Mark Sandeen  
President, MassSolar

CC: Kaitlin Kelley, Deputy Director, Renewable Division  
Patrick Woodcock, Commissioner, Massachusetts DOER