



June 29, 2020

Sent via electronic correspondence to [DOER.SMART@mass.gov](mailto:DOER.SMART@mass.gov)

Commissioner Patrick Woodcock  
Massachusetts Department of Energy Resources (DOER)  
100 Cambridge St, Suite 1020  
Boston, MA 02114

**RE: SMART Guideline Comments (Energy Storage)**

Dear Commissioner Woodcock,

Tesla, Inc. ("Tesla") thanks the Department of Energy Resources ("DOER") for the opportunity to provide comments on the updated Energy Storage Guideline ("Guideline") under the Solar Massachusetts Renewable Target ("SMART") program (225 C.M.R. 20.00 et seq.). We appreciate that DOER has expanded the SMART program through the Emergency Regulations and offer the below comments on the Guideline to ensure that the program enables the deployment of both DC- and AC- coupled storage solutions on a level playing field.

Tesla understands the concerns raised by various parties on how some of the changes in the Emergency Regulations could impact projects already in the development process. We specifically would like to comment on the impacts of the requirement to include energy storage in all projects larger than 500 kW.

While Tesla is supportive of requiring energy storage on solar projects given the immense benefits storage can bring to the Commonwealth, we are concerned the nature of the change, along with the requirement for a completed interconnection agreement prior to applying for the SMART incentive, when paired with the timelines required for changing interconnection agreements with Electric Distribution Companies ("EDC"s), will cause an undue preference for DC-coupled energy storage (vs AC-coupled) by many project developers already in the development process, not based on a review of the merits of either configuration, and the products available, but on concerns of expeditiously securing the SMART incentive.

EDCs in Massachusetts view the collective interconnection size as the summation of both the solar and AC-coupled energy storage inverters. This view forces developers who have been pursuing solar only projects to choose between submitting projects to the SMART program with DC-coupled energy storage on their present (or in-process) interconnection agreement or modifying their interconnection size upwards in order to accommodate AC-coupled energy storage. We believe that due to the lead time of getting interconnection agreement changes from the EDCs, and fear of the SMART program being quickly subscribed, will drive many to choose a DC-coupled solution, even if not optimal for their project.

Given the arbitrary preference for DC-coupled energy storage systems created here, Tesla recommends the Guideline permit developers to secure the SMART incentive for their solar system (with interconnection) as



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long as they commit to installing an energy storage solution with their system, whether it be AC- or DC-coupled within 12 months of the solar system's Permission to Operate.

Tesla notes that this concern, and the interconnection impacts of AC- vs DC-coupled energy storage solutions, highlight the critical importance of modifying interconnection rules in Massachusetts to recognize the use of operational controls in assessing project impacts. The Department of Public Utilities, most notably in Docket 19-55, is reviewing the use of operational controls to limit interconnection size to the actual electrical system impacts of a solar plus storage system versus the summation of the two inverters, meaning that an AC-coupled storage system could actually add no kVA to an interconnection agreement by using intelligent controls.

Thank you for your consideration of our comments. Please do not hesitate to contact us if you have any questions.

Sincerely,

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