



June 29, 2020

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

Re: Borrego Comments on 400 MW Review Emergency Regulation

Dear Commissioner Woodcock:

Borrego Solar Systems, Inc. (Borrego) appreciates the opportunity to provide comments on the SMART Program Guidelines. Borrego submits the following modest recommendations for adjusting the updated guidelines to address issues we foresee in the future.

Statement of Qualification Reservation Period Guideline (“SoQ Guideline”)

Recommendation 1: DOER should clarify in the SoQ Guideline how DOER will determine queue position for projects receiving ISAs simultaneously at the conclusion of group or ASO studies.

The SoQ Guideline does not include clear and equitable provisions for determining the queue position for projects included in group or ASO studies that may receive their ISAs at the same time. In the absence of explicit provisions, the default would presumably be to order projects by the time at which they submitted their application, or perhaps when their applications were deemed complete by DOER or CLEAResult. However, the combination of limited block capacity and potentially large numbers of projects being released from interconnection studies simultaneously could result in a run on the application process similar to the rushes we have seen when new programs open after significant delay. This rush could cause significant administrative issues for DOER and countless disputes that will require resources to resolve. In the worst cases, shovel-ready projects may get inferior queue positions than less-mature projects based on irrelevant factors such as internet connection speed or the speed with which an applicant can upload its required documentation.

To address this possibility, Borrego recommends that DOER include in its SoQ Guideline clear rules for how it will determine queue position in these cases. Specifically, Borrego recommends a 10-day window beginning with the conclusion of each group or ASO study, during which projects receiving ISAs would all be considered to have applied at the same time. Because all projects in the same study will have the same ISA date, DOER should determine the queue position of qualifying projects at the end of the 10-day period in the order that those projects

acquired non-ministerial permits. This approach will avoid unnecessary administrative strains and ultimately, determine queue position based on an easily distinguishable project maturity measure.

Recommendation 2: DOER should apply the 6-month COVID-19 reservation period extension to projects that applied between April 15th and Phase 4 of re-opening.

Borrego appreciates DOER's granting of an extension of the reservation period for projects that apply between April 15th and July 1st, 2020 to address the impacts of the novel coronavirus. Given that the impacts of COVID-19 are still developing, we recommend that DOER not use a specific date for ending the eligibility for the extension. Rather, DOER should base any extensions to the reservation period on the phased re-opening of the State, which takes into account many relevant health and economic factors and is designed to be flexible based on those factors in real time. Specifically, Borrego recommends that DOER update section 6(g) of the SoQ guideline to state: As of April 15, 2020, all Solar Tariff Generation Units shall have their Reservation Period extended six months. All new applications received between April 15, 2020 and when the state enters Phase 4 of the Governor's reopening plan, shall also have their initial reservation period extended six months.

Guideline on Energy Storage

Recommendation 3: DOER should include in its Energy Storage Guideline a clear signal to the DPU that the DPU SMART tariff should include SMART compensation for round trip efficiency losses based DC-metered values for DC-coupled solar plus storage systems.

Borrego supports the efforts of the ongoing stakeholder process between developers, utilities, DOER, and ISO-NE to address metering for DC-coupled solar plus storage systems ("DC-coupled stakeholder process"). The Emergency Regulations and Guidelines do not fully address round trip efficiency (RTE) loss calculations and SMART compensation, which are necessary to ensure an equal playing field for DC-coupled systems and AC-coupled systems. Borrego recognizes that DOER is fully aware of these concerns and has been a key participant in the DC-coupled stakeholder process to address them. Borrego recommends that DOER supplement those efforts by including in its Energy Storage Guideline a clear signal to the DPU that the DPU SMART tariff should include SMART compensation for RTE losses based on calculations using DC-metered values for DC-coupled solar plus storage systems.

Guideline Regarding Metering of Solar and Energy Storage Systems ("Metering Guideline")

Borrego supports the recommendations submitted by Engie regarding DOER's SMART Metering Guideline.

Recommendation 4: DOER should include in its Metering guideline (1) explicit allowance for customer-owned DC meters; (2) explicit allowance for third-party reading of DC meters, including customer-owned DC meters; and (3) clarify - in the Metering Guideline or a separate guideline - the SMART program requirements for DC meters.

Borrego is generally comfortable with the current approach of calculating SMART incentive and alternative on bill credit (AOBC) payments using meters owned by the EDC. However, Borrego is aware that a different meter ownership and meter reading model is required to enable SMART compensation for RTE losses. The EDCs' inability to own, install, or read DC meters is well-documented in the DC-coupled stakeholder process. Consequently, the SMART program allowing customer-ownership of DC meters and third-party reading of DC meters is critical for DC-coupled solar plus storage systems to receive RTE compensation, and to be placed on an equal footing with AC-coupled systems. For these reasons, Borrego recommends that DOER's Metering Guidelines not preclude future SMART compensation for RTE losses. Specifically, Borrego recommends that the Metering Guideline explicitly allow for customer-owned DC meters and third-party DC meter reading in the event that the DPU approves SMART compensation for RTE losses for DC-coupled systems. As Engie describes in detail in its comments, third-party meter reading in ISO-NE is not a new practice.

Borrego is aware that the currently available DC meters for DC-coupled solar plus storage applications do not yet have established, comprehensive accuracy standards and testing procedures. However, Borrego is also aware that ISO-NE and EDCs are collaborating through the Operating Procedure 18 (OP-18) process to address similar deficiencies for transmission level requirements. In the absence of established accuracy and test standards for DC meters, Borrego recommends that the DC meter standards required by the SMART Program be aligned with OP-18. Borrego is not aware of any technical reason that the OP-18 transmission level requirements would not be appropriate for metering of distributed applications.

DOER's current Metering Guideline appears to combine requirements for DC and AC meters in the same sections. Borrego suggests DOER use separate sections or separate guidelines for AC and DC meter requirements to account for important distinctions between AC metered and DC metered systems, and ultimately, improve clarity.

Guideline Regarding Land Use, Siting, and Project Segmentation ("Land Use Guideline")

Recommendation 5: DOER should make clear in its Land Use Guideline that the Priority Habitat, Core Habitat, and Critical Natural Landscape layers applicable for a given project are those at the time the project secured site control.

The Land Use Guideline recognizes that "the BioMap2 framework [used to exclude certain projects from the SMART program] may be updated or reissued as data layers are revised." The Guideline further states that applicants must demonstrate in the Statement of Qualification Application (SQA) that their proposed STGU is compliant with the ineligible land use

requirements. The Guideline does not state whether a project that meets this requirement at the time it submits its SQA would become ineligible later, in the event that the proposed site is later added to an ineligible land use layer (for example, as the result of a BioMap2 update). Applying a newly added prohibitive layer retroactively to projects that already invested significant time and capital would be unfair and inconsistent with the Department's previous practices, and we do not believe this is DOER's intention with the current guideline. To avoid this possibility, Borrego strongly recommends that DOER change the guideline to provide certainty to developers about what land use layers apply to the project at the time that those companies must begin to make significant development expenditures--typically, shortly after site control is secured. Specifically, DOER should clarify that any project that clears the Biomap2 screens at the time that site control is secured would not be later disqualified as a result of a change in a Biomap2 layer. At a minimum, to avoid creating new challenges with financing, we recommend that DOER clarify that any changes to land use layers that take place after a project has secured an SOQ would not apply to that project.

Recommendation 6: DOER should include in its Land Use Guideline a pre-determination process to allow projects to request good cause waivers from ineligible land use layers, based on demonstration (with biologist certification) of one of the following:

- **The land use layer is inaccurate (e.g., for Natural Heritage or Core Habitat, no species of concern is actually present in the layer), or**
- **The project can move forward with no adverse impact to the species or habitat at issue in the layer impacted.**

As numerous commenters have pointed out, the BioMap2 layers are not appropriate for outright prohibition. The official BioMap2 Report Summary states that its layers "can tolerate a certain amount of human impact and still retain their important habitat values". The BioMap2 Summary also states that the "Critical Natural Landscape will support moderate levels of compatible human use", and celebrates the "flexibility in the types of land protection tools available for preserving biodiversity within Critical Natural Landscape".¹

In our experience, it is possible to develop solar projects in a way that respects and even improves habitat value. For example, the Massachusetts Audubon Society has installed numerous ground-mounted solar arrays at wildlife sanctuaries located in environmentally sensitive areas around the Commonwealth. Many other solar projects have resulted in negotiated mitigation agreements that have improved or conserved sensitive habitat in many parts of the state.

Because the impact of any individual project cannot be determined solely by examining whether the project falls within a specific BioMap2 layer, we urge DOER to create a process for good cause exemptions whereby projects that can demonstrate to DOER's satisfaction that they will have a net positive impact on habitat conservation could be exempted from the land use

¹Biomap2 Summary p. 56

prohibitions. This approach would better reflect the intended use of the BioMap2 report as a planning tool, and would build on the approaches that the Commonwealth has developed for balancing other forms of development with the state's legitimate habitat concerns.

Conclusion

Borrego appreciates the opportunity to offer feedback on the changes in the SMART Guidelines and looks forward to continued dialogue on these important issues.

Sincerely,

Ilan Gutherz
Vice President of Policy and Strategy

Sam Jasinski
Director of Policy and Business Development, Northeast

Borrego Solar Systems, Inc.
Lowell, MA