

July 25, 2025

Massachusetts Department of Energy Resources
100 Cambridge Street 9th Floor
Boston, MA 02114

Re: Comments from Solstice Power Technologies on SMART 3.0

Introduction

Solstice Power Technologies LLC (Solstice) appreciates the opportunity to submit comments to the Massachusetts Department of Energy Resources (DOER) in response to the regulations for SMART 3.0, filed June 20th, 2025. Solstice was originally founded in 2014 as a nonprofit dedicated to expanding access to solar for underserved populations. In 2016, Solstice created a software solution to provide customer acquisition and management services for community solar. Solstice operates under the SMART program by enrolling community solar subscribers and delivering their billing and savings experience.

CMR 20.00: Definitions

Low Income Customer:

Solstice applauds the updates that DOER has made to the definition of low-income customers. Enabling income verification via both proof of participation in assistance programs and a standardized self-attestation form will go a long way in broadening access to community solar savings for customers who otherwise may be dissuaded from enrolling in a subscription. Solstice recommends that DOER look to New Jersey, where the Board of Public Utilities issued a standardized self-attestation form for community solar providers.¹ We also recommend that DOER allow for providers to build the form into online enrollment flows, so long as the potential customer is presented with the same language and asked to populate the exact same fields that they would fill out if the physical form was presented. By doing so, DOER can enable the seamless and comprehensive enrollment process that is available to subscribers in other states including New Jersey, New Mexico, and Maryland.

CMR 28.00: Program Eligibility & Consumer Protection

Low Income Customers Requirement:

Solstice strongly supports the intent of the requirement to deliver 40% of bill credits generated by each community solar project to low income customers. However, such a proposal is only as good as its outcome and in order to deliver meaningful savings via this program, projects need to be financed and constructed. Given the existing track record in Massachusetts for retention of low income community solar subscribers, it will be challenging to find willing investors in this

¹ <https://www.njcleanenergy.com/files/file/CommunitySolar/FY24/2024%20LMI%20Self%20Attestation%20Form%20-%20English.pdf>

program if the 40% requirement is adopted before the implementation of net crediting. Solstice urges DOER to be cautious in introducing such a requirement in order to first prioritize renewed momentum in the deployment of community solar projects in Massachusetts.

Guaranteed Savings Requirement:

While we also appreciate and support the intent of the 10% and 20% guaranteed savings requirements, as currently written in CMR 28.00, Solstice is very concerned about the operational feasibility of guaranteeing a discount for community solar subscribers based on a value that is *not* the value of the per-kilowatt hour bill credit rate for a given project. Solstice operates in 13 community solar programs across the country, and in each of those programs, the mandated discount is calculated as a percentage of the bill credit value for a subscriber's project. This is because that savings mechanism is the best model for communicating to subscribers and for enabling cost-effective administration of the billing process.

As proposed in SMART 3.0, providers would have to track, on a monthly basis, both the Value of Energy for Net-Metered Generation Units on an R-1 rate class, and separately, the compensation rate for each project, the Value of Energy for the Alternative On Bill Credit. In practice, providers would then frequently adjust the actual delivered discount rate off the bill credit to ensure that both this minimum discount is met *and* that owners of projects have a predictable revenue stream. Maintaining that balance would be extremely onerous for providers, challenging to enforce for DOER, and unnecessarily confusing for subscribers.

Solstice encourages DOER to ensure that community solar subscribers under SMART 3.0 receive meaningful savings, but the method proposed here will introduce a new barrier that limits the deployment of projects and consequently, the delivery of bill savings to ratepayers. Ultimately, this approach would be counter-productive when it comes to the broader goal of community solar under SMART, which is to provide a seamless savings experience.

In addition, implementing a discount rate that is not tied directly to the value of the bill credit will make it extraordinarily challenging for the electric distribution companies to build out a system for net crediting, which is required by law. Once net crediting is adopted, the onus of the aforementioned calculations, and associated cost increases, will be transferred to the electric distribution companies. We recommend that DOER, instead of using the NEM R-1 rate in the savings calculation, use the applicable bill credit rate for projects as the denominator when determining the bill credit discount rate. We also believe that the minimum discounts should apply only to residential customers. Commercial subscribers are typically more sophisticated energy consumers and tend to negotiate for longer-term arrangements. The majority of these customers will not require as significant a discount to be interested in community solar, and allowing for that flexibility enables projects to provide deep discounts to residential customers.



Customer Disclosure Forms for Community Shared STGUs:

Solstice believes that a clear and concise community solar disclosure form is critical to a strong consumer protection environment. We have appreciated DOER's engagement to date with community solar providers on the current form. We ask that DOER continue to do so in developing an updated form for SMART 3.0. There are ample lessons to be learned from community solar programs serving low income customers in other states.

Solstice understands that there have been cases under SMART where community solar subscribers ended up paying more on electricity in a given month, across both their utility and community solar bill, even though this is the opposite of what community solar is designed to deliver. Therefore, we can appreciate why the regulations require the disclosure to include a notice that "customers are at risk of possible increases." However, it is important to understand that such a possibility need not exist. In a net crediting billing dynamic, community solar provides guaranteed savings in every single month that a customer is enrolled. By design, customers cannot pay for credits unless they are applied against the customer's monthly electricity bill charges.

In the interim, before net crediting is adopted, we recommend that DOER pursue the following solution which would also establish a guaranteed savings environment and remove the need for the aforementioned language on the disclosure form. DOER could introduce a requirement that the utilities report, on a monthly basis, the dollar value of community solar credits that applied against the customer's monthly utility bill, versus any dollar value of community solar credits that remained on the customer's utility account as an excess balance. By doing so, DOER could then also require that community solar companies charge each subscriber, on a monthly basis, *only* for the community solar credits that have been already applied against their utility bill charges. If this reporting requirement and billing requirement were both mandated, there would no longer be any scenario under which a customer could be at risk of a bill increase due to their enrollment in a community solar project. Better yet, National Grid has already added a field in its monthly reports that track the unused credit balance on each subscriber's bill. Eversource does not provide any visibility. Solstice would be eager to provide further information to DOER on how this guaranteed savings dynamic could be achieved with a straightforward improvement to monthly reporting.

Thank you for your consideration. Solstice looks forward to continued engagement on the finalization of regulations for SMART 3.0.

Sincerely,
Alex Pasanen
Senior Coordinator, Policy & Regulatory Affairs
alex@solstice.us