

Re: SMART 3.0 Sunwealth Comments

June 27<sup>th</sup>, 2025

Director Meserve,

Thank you for your leadership in uplifting clean energy at a time when our solar industry faces significant challenges. We deeply appreciate the urgency demonstrated by DOER and the Commonwealth in combatting the climate crisis through thoughtful policy and robust action. The release of the SMART 3.0 program through emergency regulations has brought much-needed clarity, stability, and positivity to our business during a period of considerable uncertainty.

Enclosed are Sunwealth's comments on the published SMART 3.0 regulations. We welcome the opportunity to discuss any of our feedback in greater detail and stand ready to support the continued success of the SMART program.

### **Uncapped Access and Capacity Set-Aside for Small Distributed Projects**

In addition to the existing Annual Capacity Set Asides and Uncapped Capacity considerations in the regulations, Sunwealth would recommend that expanded Uncapped Access or Capacity Set-Asides for small projects be created consistently with the Commonwealth's goals to locate more solar in and around the built environment. Set-asides for small projects are crucial as large MW scale projects eat up significant portions of program capacity and are incentivized through their economies of scale. It is important to create a space in the program for small, distributed solar power to promote clean energy access for small business, affordable housing, nonprofits, and other small end users. Small solar also tends to be in and around the built environment, and as clean energy scales in the Commonwealth, so should intentionality around where and what kind of solar is built. Specifically, we would recommend:

1. All projects that are less than 250 kW including standalone projects from 25 kW to 250 kW have Uncapped Capacity. If the DOER would like to place conditions on Uncapped Capacity for 25 kW to 250 kW, we suggest requiring either Low Income or Municipal requirements.
2. Projects greater than 250 kW and less than 500 kW should have a 15% minimum allocation

### **Canopy Adder Secondary Use: Elevated Racking on Building Roofs**

Building owners elect to use an elevated racking configuration in order to install solar on roofs that otherwise would have smaller, lower profile mounted solar projects due to mechanical equipment and other obstructions on the roof. It is also gaining traction with building owners concerned with having lower profile mounting systems directly covering their roofs.

To ensure that raised racking is practical under the definition for the Canopy Adder, particularly with regards to the 75% secondary use threshold, Sunwealth would recommend that it is clarified that general roof access is an acceptable secondary use for elevated racking on a building. While equipment on the roof takes up some of available rooftop real estate, many property owners choose raised racking because it also provides overall access to the roof to maintain equipment, pipes, drains, and the roof itself. Elevated roof racking, such as those in the photos below will both increase the size and production of building mounted solar projects relative to lower profile mounting systems (for roofs with some clutter, which is a lot in Massachusetts) and drive greater adoption of rooftop solar on buildings due to the convenience of easy roof and equipment access.



### **No Cost Solar for Low-Income Subscribers**

SMART 3.0 would require the Low Income Customers Requirement to subscribe at least 40% of the project with low-income households and provide them with a minimum 20% savings on associated credits, which involves a clunky and inefficient acquisition, contracting and customer management process.

In an effort to decrease risk of predatory marketing tactics in low-income communities and to also decrease acquisition, financing and management costs on community solar projects, Sunwealth propose that projects applying for the LICSS adder under SMART 3.0 could also elect to allocate subscribe at least 10% of the project with low income customer households and provide them with 100% savings on those credits to meet the Low Income Customers Requirement. The increased savings benefits for Low Income Customers are illustrated below:

#### **Emergency Regulations @ Minimum Allocation**

A	\$1,000,000	Annual Bill Credit Value Allocated to all CSS Customers
B	40%	Allocated to Low Income Customers
C	20%	Minimum Bill Credit Discount for Low Income Customers
A*B*C	<b>\$80,000</b>	Annual Benefits to Low Income Customers

### Sunwealth No Cost Proposal @ Minimum Allocation

A	\$1,000,000	Annual Bill Credit Value Allocated to all CSS Customers
B	10%	Allocated to Low Income Customers
C	100%	New Minimum Bill Credit Discount for Low Income Customers
A*B*C	<b>\$100,000</b>	Annual Benefits to Low Income Customers

In this example, the total annual savings for Low Income Customers increases by \$20,000 or 25% (a ton of savings across the entire SMART program). This could result in fewer Low Income Customers getting more savings; or the same number of Low Income Customers getting more savings depending on the subscription strategy (or potential SMART requirements, e.g., no more than 10 kW per Low Income Customer)

Both the economics and administration of these projects will be favorable; no cost solar eliminates the need for dual billing because subscribers receive a credit on their bill and do not have to pay for that credit on a separate bill. No cost solar will improve ease of signups as many low-income subscribers are wary of paying for a benefit on their electric bills and the related contracts. Project owners managing community solar projects will reduce their asset management costs by no longer needing to manage billing and collections for low-income subscribers and will benefit from easier financing due to the above and no more credit issues and reduced frequency of low-income subscriber turnover.

The No Cost Option would result in significantly more savings for Low Income customers and reduced costs all around.

### Qualifying Facility Attestation

Section 28.06(d) is titled “Additional Required Documentation for STGUs 1,000 kW or Less” and outlines the requirement for a project **less than** 1,000 kW to attest to its status as a federal QF in its SOQ application. The section it references is 28.07(4)(d) which requires federal QF status for systems **greater than** 1,000 kW. We are noting this discrepancy and assuming it is a typo in Section 28.06(d).

Thank you for receiving and considering our comments on the SMART 3.0 program. We have included our contact information should you want to discuss anything further.

Sincerely,

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