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July 11, 2017

By Electronic Mail

Commissioner Judith Judson
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: Comments on proposed SMART Program Emergency Regulations

Dear Commissioner Judson:

Attached please find written comments of Hall and Moskow Corp. pertaining to the Department of Energy Resources' proposed SMART Program Emergency Regulations, 225 C.M.R. § 20.00.

Please do not hesitate to contact me if you have any questions pertaining to these comments.

Sincerely,



Jonathan A. Goldberg

cc: David D. Hall, Hall and Moskow

On behalf of Hall and Moskow Corp., thank you for the opportunity to provide comments on the proposed Solar Massachusetts Renewable Target (SMART) Program regulations (225 C.M.R. § 20.00 et seq.). Hall and Moskow is committed to revitalizing industrial-use and residential properties in an energy and environmentally conscious manner by adopting innovative green building management practices. Currently, Hall and Moskow is working on the development of former brownfields into a sustainable living community designed to lower the per household carbon footprint by, among other things, installing community shared solar (“CSS”), using sustainable on-site agriculture, and offering access to community shared electric vehicles. Given this mission, Hall and Moskow appreciates the Department of Energy Resources’ efforts to align solar incentives with the Commonwealth’s energy and environmental goals. Hall and Moskow is supportive of the new regulations overall; however, as drafted, the regulations fail to appropriately support CSS projects as intended. For the reasons discussed below, the proposed regulations should be revised to include an on-bill credit option for CSS, in order to ensure that CSS customers directly benefit under the new SMART program.

One of the bedrock principles of CSS is that customers come together to support a solar project and, in return, each subscriber receives a direct benefit. In order to encourage development of projects that use renewable energy on-site and encourage customers to seek sustainable communities, the benefits of CSS should flow directly to customers. Therefore, we encourage DOER to adopt a compensation option that will directly compensate customers through an on-bill credit, thereby encouraging viable, customer-friendly CSS projects.

As drafted, the mechanism for providing compensation under the proposed regulations does not allocate the incentives for CSS to customers. The proposed regulations offer a cash payment to the owner of a Solar Tariff Generation Unit, which, contrary to the intent of the proposed regulations, may inadvertently discourage CSS. While the proposed compensation mechanism may be appropriate for most stand-alone solar facilities or solar facilities with a single on-site off taker, the mechanism does not allow customers that support CSS to easily and directly derive benefits under the new program. If implemented as drafted, the SMART program shifts the burden of whether and how to share benefits with CSS customers to the solar facility account holder. Assuming the owner agrees to share the benefits, this process may still result in less advantageous treatment for customers, such as lack of transparency and delayed benefits. It will also result in cumbersome accounting for the solar facility account holder, increasing the likelihood of errors and discouraging the development of CSS. Residents participating in CSS should be able to directly reduce their energy bills through an on-bill credit similar to net-metering.

Further, given the recent changes in the Department of Public Utilities’ regulations that make CSS customers no longer eligible for full net metering credits, we believe the new SMART program provides a reasonable compensation adder that may help continue the Commonwealth’s

support of CSS and encourage residential solar use. An on-bill credit would provide an efficient, easy-to-understand, and fair mechanism to allocate the benefits of CSS under the SMART program to the residents supporting the facility. Given the reduced net metering credit, without an on-bill credit option, customers will be unable to fully realize the benefits of supporting CSS, and may not have sufficient incentive to participate.

For all of the above reasons, Hall and Moskow agrees with the comments filed by the Coalition for Community Solar Access on October 28, 2016, and strongly encourages DOER to revise the proposed regulations to include an on-bill credit option for CSS, in order to ensure that the goals of the new SMART program are realized. Hall and Moskow appreciates the opportunity to offer these comments and the Commonwealth's support of environmentally responsible energy and building projects. Please feel free to contact David Hall at ddh@hallandmoskow.com or (978) 465-7047 if you have any questions.