

July 11, 2017

Kaitlin Kelly
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: Solar Massachusetts Renewable Target (SMART), 225 CMR 20.00

Please accept these comments in response to the emergency regulations on the Solar Massachusetts Renewable Target (SMART) program. Dynamic Energy Solutions, LLC is a full-service solar energy provider that has been a leading developer and EPC in the Northeast and Mid-Atlantic regions. Since 2007, we have developed and constructed over 125 projects, including 30 projects in Massachusetts that range from 25 kW to 4.2 MW. We have originated a 50 MW pipeline of projects that could participate in the SMART program; however, the current program design puts the execution of this pipeline at risk. Below, we suggest several critical improvements to the SMART program that we hope you will adopt in the final regulations and tariffs. Continued solar growth is critical to the Massachusetts economy and keeping our environment clean and safe for our families and future generations.

The SMART program should be improved by:

1. *Setting the base compensation rates at a level that will encourage continued solar development and protect solar jobs in the Commonwealth.* The competitive process to set these levels should be allowed a higher ceiling, \$0.175 per kilowatt-hour, to insure the entire program will work in the years to come. At the same time, additional support (adders) for community solar, low-income solar and other priority development should be protected from decline over time to ensure continued and accelerated growth of these types of projects given their relatively stable additional cost.
2. *Removing the hard caps on these adders, so that community solar, low-income solar and solar with storage are encouraged as much as possible.* Caps on the total capacity of projects that can qualify for these adders, proposed at 320 megawatts, conflict with the purpose of the legislation in promoting these important projects. The caps and decline in adder value should be eliminated, or modified to initiate a more gradual decline in adder value instead of a sharp cliff.

3. *Encouraging the continued use of solar net metering to fairly compensate solar customers for their valuable solar power.* The SMART program has not proposed an adequate replacement for net metering and will not be successful without the continued existence of fair and full compensation for solar customers in the Commonwealth. DOER needs to take action to ensure that the proposal for an alternative on-bill crediting mechanism can become a workable, complementary option for community shared and low-income solar projects. There needs to be an open, transparent process into the development of this mechanism before it is proposed to the Department of Public Utilities. In parallel, DOER should work with the legislature to raise net metering caps immediately.
4. *Clarifying and improving new land use and siting criteria, performance standards and greenfield subtractions.* As written, the current regulations lack sufficient clarity and specificity regarding land use performance standards for ground-mounted projects. In general, performance standards must be defined in such a way as to not unreasonably hinder the development of ground-mounted projects. The SMART program should also give deference to cities and towns that have gone through the time and effort to identify and zone areas as appropriate for solar/power generation, and projects in these areas should not be subject to a subtractor.
5. *Allowing exemptions from Project Segmentation.* A Good Cause Exemption from this section should be provided such that ground-mounted Solar Tariff Generation Units located on contiguous parcels and are developed by unaffiliated parties without the intent of exploiting the SMART program regulations. Additionally, a Good Cause Exemption should be provided for projects located on contiguous parcels that are clearly not attempting to exploit the program by splitting a larger project across multiple smaller projects to achieve a higher compensation rate. For example, prohibiting developers from siting two 5 MW projects on adjacent parcels effectively eliminates the possibilities of interconnection cost-sharing and could disqualify a properly zoned and clear site for a less favorable site with a more significant impact.

Thank you for your work to continue Massachusetts' continued solar leadership. We appreciate the opportunity to weigh in on the new SMART program and hope you will make these much-needed changes.

Your sincerely,

John Motta
VP, Business Development
Dynamic Energy Solutions, LLC