



July 11, 2017

Judith Judson, Commissioner
Massachusetts Department of Energy Resources
100 Cambridge Street 10th Floor
Boston, MA 02116

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

Dear Commissioner Judson:

IGS Solar (IGS) appreciates the opportunity to comment on the Department of Energy Resource's (DOER) Emergency Regulations to establish the Solar Massachusetts Renewable Tariff (SMART) Program.

IGS Solar has been an active participant in the stakeholder process and Working Group meetings leading up to the release of these Emergency Regulations. We appreciate the leadership and efforts from DOER, the Executive Office of Energy and Environmental Affairs, and the Department of Agricultural Resources in developing and issuing these regulations. We urge you to continue to move expeditiously. Although the SREC program has been appropriately extended, the market is anxious for clarity and resolution to the final program design and pricing.

IGS Solar is a member of both the Solar Energy Industries Association (SEIA) and the Northeast Clean Energy Council (NECEC) and we urge DOER to give strong consideration to their joint comments ('Joint Industry Comments'). We have provided some additional comments and recommendations below.

I. Recommendations on the Competitive Auction Mechanism

While IGS still has strong reservations about the use of an auction to set the tariff levels for the SMART program, we recognize that DOER has chosen to proceed with this approach and therefore offer the following suggestions for improving the structure:

- As laid out in the Joint Industry Comments, IGS agrees with the need to increase the ceiling price of \$0.175/kWh and a floor price of \$0.1135/kWh. Not only is this important for driving robust participation in the auction, but the bid results will have a cascading effect throughout the rest of the program.
- DOER should work to expedite the auction process and minimize any delays in issuing the final Block 1 tariff prices.



- DOER should maintain project maturity, bid security and no-adder provisions of the auction in order to attract projects more representative of the broader SMART program and to minimize speculative bidding.
- DOER should specify the process it will follow in case the competitive procurement is ruled non-competitive, including a commitment to run a follow up auction within 2 months.

II. Recommendations on Adder Policies

We understand and appreciate DOER's desire to both predict and contain the costs associated with the SMART adder categories. However, we believe that tying the decline in the adder level to the capacity of projects that receive a given adder more appropriately tracks the cost declines that come with scale and learning for each adder type. Additionally, a cap on the locational adders (rooftop, landfill, brownfield, canopy, agriculture) runs counter to DOER's focus on smart greenfield land use policy.

Therefore, IGS recommends that DOER merge its current adder decline and cap policies into a hybrid approach. Namely, DOER should institute a 10% decline for each adder when 300MW of capacity has received the given adder.

III. Comments on Land Use Definitions

IGS believes that DOER's definitions of 'previously developed' and 'acreage of land that a Solar Tariff Generation Unit occupies' are clear and workable definitions and therefore urges DOER to maintain these. We interpret DOER's definition of the land affected by a solar project to be measured based on the square footage of the solar panels themselves, adjusted for the tilt of the panels. We urge the DOER to provide guidance on how to calculate the acreage of impacted land before the RFP is released.

We commend the DOER for their leadership on developing the SMART program and believe that, with some key changes, the SMART program can continue Massachusetts's leadership in clean energy.

Sincerely,

A handwritten signature in black ink, appearing to read "Katie Bolcar Rever", followed by a horizontal line.

Katie Bolcar Rever
IGS Energy
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