

SunRaise Investments LLC



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SENT VIA ELECTRONIC MAIL

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

To whom it may concern,

Please find the enclosed comments from SunRaise Investments LLC (SunRaise) on the Solar Massachusetts Renewable Target (SMART) program filed by the Department of Energy Resources (DOER).

SunRaise is a commercial solar energy financier that works with schools, universities, municipalities and affordable housing properties. SunRaise develops, finances, owns and operates solar energy facilities and sells the output to these entities. The size of the solar facilities that SunRaise develops is typically 500 kilowatts AC and greater.

SunRaise appreciates the opportunity to comment and would like to thank the DOER for its continued stakeholder engagement in this process and its efforts in developing and administering effective solar programs in the Commonwealth.

20.01 Public Entity Solar Tariff Generation Unit

The current definition of a Public Entity Solar Tariff Generation Unit would require a Generation Unit to be sited on property owned by a Municipality or Other Government Entity. This definition limits the degree to which Public Entities, and particularly Municipalities, can be involved in the SMART program as these entities do not often own property with a high potential for solar energy.

The buildings best suited for rooftop solar are warehouses, manufacturing centers, and distribution facilities; none of which are typically owned by Municipalities. The solar footprint of municipal buildings is not high in proportion to most Municipalities' electric load as their rooftops are generally not flat, large, and clear of rooftop units or other shading infrastructure. Additionally, Municipalities, particularly those in urban areas, do not often own larger tracts of land that would be suitable for ground mounted Generation Units.

SunRaise believes the definition of Public Entity Solar Tariff Generation Unit should be modified to allow these Generation Units to be sited on public and private property so that Public Entities can participate in the SMART program at a greater scale.

20.06 (1)(b) Required Documentation for Solar Tariff Generation Units with Rated Capacities Larger than 25 kW.

One of the requirements for units larger than 25 kW to obtain a Statement of Qualification is to “demonstrate sufficient interest in real estate” to construct the unit. SunRaise would request that the DOER clarify what forms of agreement are acceptable to satisfy this requirement. For example, are an Executed Site Lease, Executed Site Lease Option Agreement, and an Executed Site Lease Letter of Intent all sufficient forms of interest in real estate that would satisfy the requirement?

20.06 (1)(d) Special Provisions for Agricultural Units

The first required document to be qualified as an Agricultural Solar Tariff Generation Unit is the “Unit not interfere with the continued use of the land beneath the canopy for agricultural purposes.” SunRaise would like the DOER to clarify if this requirement means that the only type of Generation Unit that can be sited on agricultural land and be qualified for SMART is a canopy unit.

20.06 (6) Notification Requirement for change in ownership

The current requirement that the Owner or Authorized Agent submit notification to the Solar Program Administrator no later than five days following the end of the month during which the changes were implemented is too administratively burdensome. If a transfer were to occur at the very end of a month and this requirement remains, the Owner or Authorized Agent would only have one week to notify the Administrator. Additionally, there are many considerations the Owner and Authorized Agent are responsible for following the sale and transfer of a Generation Unit, and the SMART Statement of Qualification is too important of a designation on which to place a five day window.

SunRaise would propose changing this to 45 days following the date of the change in ownership. This would provide the Owner or Authorized Agent with sufficient time to notify the Administrator, and keep the notification window uniform for all Generation Units regardless of when the transfer occurs during the preceding month.

20.07 (2) Eligibility Criteria Competitive Procurement

The requirements for Generation Units that can participate in the Competitive Procurement could significantly limit the capacity that will ultimately participate in the Procurement. Specifically, the requirements that the Generation Units “not be eligible to receive Compensation Rate Adders” and be “Non-Net Metered” will result in only a specific type of project participating in the Procurement. This may ultimately mean that a reasonable number of proposals will not be received and the solicitation could be terminated.

SunRaise would suggest allowing Net Metered Generation Units to Participate in the Competitive Procurement so that reasonable proposals are received and the likelihood that the solicitation is terminated is reduced.

Clarity should also be provided as to how Greenfield Subcontractors will be treated in the Competitive Procurement as there is no mention in the Filing on whether or not a project that would normally qualify for a Subcontractor can participate in the Competitive Procurement.

20.07 (8) Weighted Averaged Clearing Price

“For the purposes of establishing statewide Base Compensation Rates under the Capacity Blocks established in 225 CMR 20.05(3), a weighted average of the Clearing Prices for Solar Tariff Generation Units with capacities between 1 MW and 2 MW specific to each Distribution Company shall be taken. The weight given to each Clearing Price shall be proportional to the total electric load served to Massachusetts End-use Customers by the Distribution Company in calendar year 2016.”

From the language above, it appears that a weighted average of the Clearing Prices will be set for Generation Units with capacities between 1 MW and 2 MW, but not for 2 MW and 5 MW. SunRaise would request that DOER explicitly state if a weighted average of the Clearing Prices for Generation Units with capacities between 2 MW and 5 MW will be taken. If not, then can the DOER confirm that the Base Compensation Rates for 2 MW to 5 MW Generation Units may differ between Distribution Companies based on the results of the Competitive Procurement?

20.08 (1)(a)(2) Alternative On-Bill Credit Generation Unit

SunRaise would urge the DOER to provide greater clarity on what the “energy compensation rate” will be for Generation Units that elect the Alternative On-Bill Credit option. The Filing states only the “Unit’s applicable credit value under its applicable tariff structure” but does not state what that the credit value will be determined by, how the credit value should change over time, or how and by who the tariff structure will be developed and implemented.

Given this is a new form of compensation, as an alternative to net metering, SunRaise would suggest that a stakeholder working group be developed to discuss the possible options for the energy compensation rate. The outcome of the working group should be to develop a methodology for compensating On-Bill Credit Generation Units that can be incorporated into a formal tariff process and implemented into the SMART program. A working group comprised of a diverse set of stakeholders (from utilities, solar advocacy groups, energy users, etc.) would be best able to develop an outcome that considers the many options for this compensation rate and ensure a high level of stakeholder input and engagement.