



Comments on Solar Massachusetts Renewable Target (SMART) Regulations
Sierra Club Massachusetts Chapter
July 11, 2017

Commissioner Judith Judson
Massachusetts Department of Energy Resources
100 Cambridge St., Suite 1020
Boston, MA 02114

Dear Commissioner Judson:

The Massachusetts Chapter of the Sierra Club is pleased to respond to your request for comments to the emergency regulations on the Solar Massachusetts Renewable Target (SMART) program. While we are pleased with the opportunity to comment, we are definitely not pleased with the SMART program as currently outlined. Although the SMART program may work for some categories of projects, it has serious flaws that jeopardize the future investment in solar that Massachusetts needs and deserves.

In particular, the SMART program fails to demonstrate a real commitment to equity. The program design issues highlighted in this document will create new barriers that greatly endanger the development of community shared and low-income solar projects, further limiting access to solar for renters, low-income households and those who do not own a sunny rooftop. In some regions of the state, recent net metering cuts and uncertainty due to net metering caps have already stalled community solar development, halting any progress being made to equitably distribute the benefits of solar programs.

Below, we suggest several critical improvements to the SMART program that we consider essential to include in any resulting 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 must:

1. *Set 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. *Remove 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. *Encourage 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. *Clarify and improve new land use and siting criteria, performance standards and greenfield subtractors.* 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. Solar Overlay Districts or other solar specific zoning should be recognized against all land siting criteria.
5. *Encourage and facilitate the dual use by farmers of agricultural, pastureland, horticultural land, or arable land, i.e., implementing solar systems while also using their land for their agricultural purpose.* Specifically:
 - a. Allow an exception for the Greenfield Subtractor to not apply if the land under the solar system is converted to pastureland, horticultural land, or arable land.
 - b. If the land under a solar array is converted to pastureland, horticultural land, or arable land, support the installation of solar canopies across all siting groups and criteria.

- c. Encourage the support of farmers to use their land in accordance with both energy and agricultural needs. In particular, we support solar canopies up to 5 MW on farm land rather than the 1 MW currently provided.
6. *Ensure total compensation for residential systems is adequate to support continued sustainable development.* We are concerned that compensation for the under-25 kW and residential market segment is inadequate. This is due to the shorter, 10-year term for these projects and the differing economics of residential solar systems. To ensure that residential project can work for customers' needs throughout the SMART program, DOER should raise the under-25 kW compensation to 250% of the base rate and the Low-Income under-25 kW factor to 300% as well as expanding their ability to receive adders.
7. *Ensure total compensation for residential systems is adequate to support continued sustainable development.* We are concerned that compensation for the under-25 kW and residential market segment is inadequate. This is due to the shorter, 10-year term for these projects and the differing economics of residential solar systems. To ensure that residential project can work for customers' needs throughout the SMART program, DOER should raise the under-25 kW compensation to 250% of the base rate and the Low-Income under-25 kW factor to 300% as well as expanding their ability to receive adders.
8. *Remove restrictions from Boston and densely populated cities and towns from acquiring solar from across ISO zones within a utility holding company.*
9. *Engage in a periodic review process not to exceed one-year to maintain a robust, continuously employed solar industry.* Use transparent benchmarks to evaluate the dynamic cost, up or down of the solar industry as it is affected by changing conditions. Such benchmarks should include the review of solar panels, electrical labor, interconnection cost, regulatory review as it pertains to interest, tax policy, municipal taxes.
10. *Look beyond the 1600 MW program limit of the SMART program to include solar as a major employment opportunity.* The MassCEC's Clean Energy Industry Report shows the increasing role of solar and other clean energy sources in each of their annual reports they have produced.

We appreciate the opportunity to comment on the new SMART program and strongly recommend that you make these much-needed changes. Massachusetts' continued solar leadership demands nothing less!

Sincerely yours,



Emily J. Norton
Director, Massachusetts Chapter

P.S. – The following is a strong example of innovative approaches to solar implementation that would be threatened by the SMART program as currently shown. The details are shown at the Web site <http://www.resonant.energy/solar-access-program/>. In summary, three parties are involved:

1. A host site that provides roof space for solar panels. In return they receive a small portion of the electric power generated. This allows low- and middle-income households that cannot afford a full-fledged solar system to nonetheless benefit from solar power.
2. A community entity such as a house of worship or a town enters into an agreement to purchase the remaining solar power. The entity generally doesn't have space to place solar panels themselves (otherwise they would have entered into a direct agreement to fully purchase the power or to own the panels themselves), but have or can obtain themselves funds to make the solar agreement happen. They can then use the power directly for themselves (such as for a house of worship) or (such as for a town or a community-energy entity) sell the power to small purchasers who otherwise could not purchase the panels or the power on their own.
3. The utility who enters into an agreement as they would with an entity that has their own panels. In this case, the entity would be the community entity above or an enabler such as Resonant Energy or Coop Power.

We have been in touch with the folks at Resonant Energy, who say that SMART as currently envisioned would severely threaten this currently-flourishing model.