



July 11, 2017

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

Dear Commissioner Judson,

On behalf of the cities and towns of the Commonwealth, the Massachusetts Municipal Association is writing to offer comments on the Department of Energy Resources' Solar Massachusetts Renewable Target (SMART) program regulations, 225 CMR 20.00. The MMA would like to express our appreciation to you and your staff at DOER for the extensive stakeholder process regarding these regulations and for providing several presentations to MMA's members to update them on the new program design.

Clean and renewable energy is very important to the cities and towns in Massachusetts. Nearly every city and town in Massachusetts now has a solar development, 185 municipalities have been designated as green communities, and over 64% of Massachusetts residents live in a green community. Cities and towns have helped the Commonwealth exceed its solar goal of 1600 megawatts far ahead of the 2020 schedule. There are now 1,653 megawatts of solar in the Commonwealth, and Massachusetts has been ranked number one in the nation in energy efficiency by the American Council for an Energy-Efficient Economy. We look forward to working with DOER to continue this leadership in solar development, and to ensure that solar is feasible for our cities and towns as the Commonwealth develops a plan for the next 1,600 megawatts of solar in Massachusetts.

### **Economic Feasibility**

The MMA is concerned that some of the provisions in the proposed SMART program regulations would have a negative impact on municipalities that want to continue to make strides in renewable energy by hosting solar facilities on municipal property. The program sets compensation rates for solar projects and has a declining block structure with incentive adders and subtractors based on the type of project. However, the regulations set a cap on incentive adder capacity at 320 megawatts per category. In addition, the draft regulations would limit projects larger than 25 kilowatts from combining off-taker based adders. Municipalities have benefitted from solar as a way to save money for taxpayers and further their renewable energy goals, but the new program would change the economics of projects for cities and towns.

These restrictions are inconsistent with Chapter 75 of the Acts of 2016, which directed DOER to develop a statewide solar incentive program to encourage the continued development of solar renewable energy generating sources by residential, commercial, governmental and industrial electricity customers, in a way that differentiates incentive levels to support diverse installation types and sizes that provide unique benefits. In the MMA's view, communities should be encouraged to work within the system designed by DOER to take advantage of the incentive adders, regardless of the size of a project or limit in a certain category. The MMA asks that

DOER reconsider these restrictions on incentive adders that could inhibit the development of solar in municipalities.

### **Publicly Owned Land Requirement**

MMA appreciates that DOER has included an incentive adder for public projects with governmental off-takers; however, we strongly urge DOER to reconsider the requirement that these projects be on publicly owned land. Many projects with 100% public off-takers are sited on private land, and some municipalities do not have the space to develop projects on publicly owned land. Municipalities should not be penalized for not having available land. Municipalities may need to use their available public lands for municipal buildings such as schools, town halls, or public safety buildings, but may want to participate in solar through a project on private land. In some communities, public lands may already be used for a renewable energy project and a city or town would need to use private land for additional projects. We ask that DOER allow projects with municipal off-takers to qualify for the incentive adder even if a project is located on private land.

### **Local Zoning Authority**

The MMA urges DOER to clarify that the proposed regulations do not override local zoning rules and bylaws. Under the proposed regulations, projects could be subject to a land use subtractor, even if they are located in areas that municipalities have zoned for solar or for commercial and industrial development. If municipalities have taken steps to zone an area for these types of development, the city or town should not be penalized with a land use subtractor.

### **Uncertain Landscape and Potential Changes**

As the Commonwealth moves forward to create more renewable energy, we ask that DOER consider the many uncertainties that could arise in the future for municipalities that participate and benefit from solar energy. The MMA supports a stable landscape for municipal solar projects moving forward. The net metering legislation passed in 2016 preserved the retail rate (the most beneficial rate for net metering credits) for governmental projects. The possibility of changes in solar financing, such as reaching the net metering cap, the addition of a monthly minimum reliability contribution for solar projects, and rate increases, could all lead to increased costs for municipal customers. We urge the Department to take a holistic look at the future of solar in the Commonwealth and consider the uncertain landscape for solar projects when finalizing these regulations. The MMA looks forward to continuing to work with DOER to ensure that solar remains a viable option for cities and towns.

Thank you very much for your consideration. If you have any questions, please do not hesitate to have your staff contact me or MMA Legislative Analyst Victoria Sclafani at 617-426-7272, ext. 161 at any time.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Beckwith', written in a cursive style.

Geoffrey C. Beckwith  
Executive Director & CEO

