

Boston Catholic Climate Movement
c/o Fran Ludwig
19 Wyman Rd.
Lexington, MA 02420

Commissioner Judith Judson
Department of Energy Resources
100 Cambridge Street #1020
Boston, MA 02114

July 11, 2017

RE: SMART solar incentive program

Dear Commissioner Judson:

Thank you for the opportunity to provide comments, in response to the emergency regulations on the Solar Massachusetts Renewable Target (SMART) program. We appreciate all the work done by you and your staff in creating this draft. The Boston Catholic Climate Movement is a community of Catholics who are responding to the cry of the Earth and the cry of the poor, guided by Pope Francis' encyclical *Laudato Si': On Care for Our Common Home*. Our goal is to advocate for individuals, parishes, and communities (including the state) to urgently reduce their carbon footprint as a moral responsibility.

"We are not faced with two separate crises, one environmental and the other social, but rather one complex crisis which is both social and environmental. Strategies for a solution demand an integrated approach to combating poverty, restoring dignity to the underprivileged, and at the same time protecting nature." (*Laudato Si'*, 139)

We commend Gov. Baker's decision to double our solar capacity by setting an additional 1600 MW as a goal. However, to the extent that the SMART program reduces solar incentives below the level of project viability for individuals and for community-based and low income groups, the program defeats this goal and endangers Massachusetts' ability to meet its Global Warming Solutions Act goals and its solar leadership. More importantly, the state puts limits on opportunities to reduce our carbon emissions and thus provide a livable planet for our children and all of creation.

Therefore we request that the SMART program be improved by:

1. ***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.

2. ***Improving incentives for low-income, community shared, non-profit and environmental-justice-community solar.*** The draft compensation levels under SMART are too low. SMART compensation rates need to be increased to ensure the economic feasibility of these projects.
 - a. DOER should also create a set aside within the SMART program for low-income community shared solar projects, as there is for small residential rooftop systems.
 - b. Because of the financing complexity for non-profits, it is more difficult for non-profits to utilize incentive programs. It would help if an adder were provided for non-profit generation units, like there is for public entities.
 - c. Due to the historic deficit in funding and use of incentives in Environmental Justice communities, it is important that there be an adder for generation units in such communities. As such communities have a high correlation to areas with heat island effects and peak summer electrical loads, such adders are also justified in the benefit of these generation units to power distribution and ratepayer prices.
3. ***Providing better protection of environmental resources and consideration of environmental impacts.*** The draft regulations do not specifically prohibit the clearing of forested land for any project. New England has been undergoing deforestation since the mid-1980s (<https://news.mongabay.com/2016/08/deforestation-has-been-occurring-continuously-in-new-england-since-the-1980s/>). This has greatly contributed to the heat island effect in Massachusetts (<http://www.wbur.org/commonhealth/2017/07/05/greater-boston-heat-islands>). The enabling legislation for the SMART incentive program requires that the rules “(ix) consider environmental benefits”. It is therefore appropriate that the rules prohibit the clearing of forest or transitional forest for any project.
4. ***Removing the hard caps on 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.
5. ***Ensuring 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. It is important that these factors and adders initially provide similar compensation as under SREC II, decreasing in subsequent years. Doing so will provide consumer confidence in the SMART program, and ensure growth of local residential solar, which is an important part of meeting the requirements of the Global Warming Solutions Act and in providing distributed generation (<http://acadiacenter.org/document/value-of-solar-massachusetts/>) that lowers ratepayer prices.

6. ***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, \$0.18 per kilowatt-hour, to insure the entire program will work in the years to come. The decrease in compensation should not be a fixed percentage, but should be indexed based upon reduction in costs, using equipment prices and labor rates. 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.
7. ***Clarifying and improving 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.

Thank you and your staff for your work to improve the Massachusetts' solar program and continue leadership in renewable energy by the Commonwealth. We appreciate your consideration of our comments and the many comments on the draft SMART program. We pray for wisdom and courage in the decisions being made for the future of Massachusetts' solar program.

Best regards,

/s/ Fran Ludwig, /s/ Steven Keleti

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