

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:

SunBug Solar is pleased provide our comments with regard to the Solar Massachusetts Renewable Target (SMART) program, and we are grateful for the hard work and leadership of Mike Judge and the Department of Energy Resources (DOER) staff, the Executive Office of Energy and Environmental Affairs (EEA) staff, and Department of Agricultural Resources (MDAR) staff in developing these regulations.

Unfortunately, we do not believe that, as currently structured, the SMART program will advance the solar industry in Massachusetts. To the contrary, we believe that, if left unchanged, it will trigger a decline in solar installations, and may well result in the loss of a significant number of jobs across the Commonwealth.

That said, we feel that a number of changes to the program could improve the outcomes considerably, and—at the least—serve to stabilize the Massachusetts solar industry and perhaps allow it to continue serving the State as a means for reducing our emissions, saving money for homeowners and businesses, and providing well-paying jobs for residents across the economic spectrum.

Here are the changes we recommend:

Set compensation rates at levels that will not stall solar installations

The competitive procurement process is a poor mechanism for setting incentive levels, and threatens to lower incentives to a point where homeowners will face 9 or 10 year paybacks, and businesses will no longer consider solarizing their rooftops. The ceiling price is too low, and the lack of a floor seems illogical, favoring only the utilities. If doing away with the procurement process at this juncture is not possible, we strongly advise a ceiling of at least \$0.17/kWh, and a floor no lower than \$0.13/kWh.

Eliminate the cap on adders

The cap on adder capacity seems to contradict the administration's stated intent with regard to the SMART program. Restricting these price signals will limit the positive impact they might otherwise provide, and the complexity of these caps will make it very difficult for solar customers to understand potential economic benefits. The proposed adder caps should be eliminated.

Land use & siting criteria should be modified

The tariff, as written, will introduce tremendous confusion with regard to where and under what circumstances ground-mounted projects may be located. The language and definitions used to establish these standards must be clarified so that they can be more clearly understood by the solar community, and so that they do not inhibit projects that are otherwise in compliance. Specifically: The special provisions established for Agricultural Solar Tariff Generation Units should be revised or clarified as it relates to a unit's maximum rated capacity, the minimum system heights, and shading limitations; and the Greenfield Subtractors should not be applied to projects on previously developed land.

The Alternative On-Bill Credit is murky at best

The Alternative On-Bill Credit remains poorly defined, and the fact that no draft of such a tariff has been introduced raises very serious concerns. When this lack of clarity is combined with the harsh reality that net metering no longer exists in well over half the State—with no solution in sight, it becomes very evident very quickly that the solar industry will have a hard time getting customers to understand or appreciate the value of solar panels on their rooftops.

Implement a price floor for small systems

The SMART program, as drafted, makes small projects under 25 kW completely vulnerable to the results of a Competitive Procurement process designed for much larger projects. As such, DOER should consider a price floor for smaller systems. Without such a floor, residential solar could very possibly come to a screeching halt.

Thank you for considering these comments.

Sincerely,



Nick d'Arbeloff

VP, Commercial Business

cc: Representative Thomas A. Golden
Senator Michael J. Barrett
Matthew Beaton, Secretary of Energy and Environmental Affairs
Ned Bartlett, Undersecretary of Energy and Environmental Affairs
Patrick Woodcock, Assistant Secretary of Energy
Michael Judge, Director of Renewable and Alternative Energy, DOER