



**Ampion, PBC.**

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Ampion, PBC is a national leader in community solar subscriber acquisition and subscription management. We are pleased to provide this feedback to the DOER and SEA for review. These comments address the recently updated disclosure form rule for larger customers, the declining block model, billing practices, and the stakeholder engagement process.

Question 6: Are program compliance requirements clear prior to program enrollment? What are the key challenges with satisfying the data and/or documentation requirements for various program compliance checks, such as compliance with the energy storage, low-income, or community solar requirements? Are there any modifications you would suggest to DOER's compliance processes, or alternative data/documentation you believe could satisfy the requirements?

Ampion would like to suggest an alternative process and documentation for certain community solar subscribers in regards to the recently updated disclosure form rule. One signature and one disclosure form per account works for smaller subscribers, however, the new process becomes administratively difficult and a negative customer experience for larger entities. For example, if a business owner wants to sign up their 100 separate storefronts and utility accounts, they would have to sign 100 separate disclosure forms.

Ampion proposes that the DOER allow for a batched disclosure approach. Illinois Shines, a community solar program in Illinois, allows for community solar providers with a pre-approved system to aggregate all of the required disclosure forms onto one document for the subscriber to sign after they have read through all of the disclosure forms. In the example above, the subscriber with 100 storefronts would receive one document with 100 disclosure forms followed by a page for a single signature that states that the subscriber understands that they are signing once for all 100 disclosure forms. A business with 100 storefronts is a sophisticated buyer and should be able to understand what they are signing for in the proposed batched approach.

We recommend that the DOER and CLEAResult implement a similar solution for larger subscribers, and we invite them to take this opportunity to engage stakeholders on what a fair threshold of disclosure forms would be to aggregate, type of subscriber, implementation timeline, and any other aspects of considering and operationalizing this solution for larger subscribers.

Question 10: What modifications to SMART incentive payment calculations, as currently set forth in 225 CMR 20.08, if any, are needed? Please provide examples, formulas, or calculations for DOER review.

Ampion urges the DOER to re-evaluate its declining block incentive model for solar development. The model assumes that solar project development will continue its trajectory of decreasing costs as the industry matures. It is true that when solar was a truly nascent industry, Massachusetts had to subsidize development if it wanted to be a leader in solar. Since then, hardware costs (e.g. modules and inverters) have decreased as the model assumed. However, solar development includes siting and permitting, interconnection upgrades, and labor, in addition to hardware costs. While hardware costs were higher when SMART was created, and even higher when SREC I and II were created, other development costs were lower. Less land had been used for solar development, so land acquisition was less competitive and costly. The electric grid was less saturated with distributed generation, and substations had available capacity, lowering interconnection upgrade costs. Additionally, cost of living and inflation have increased since the declining block model's incentive levels were set.

To complicate hardware costs further, the Auxin solar tariff investigation ruled in 2022 that modules made in four Southeast Asian countries bypassed a China-specific tariff and would require new tariffs on panels from those countries. Biden granted relief by issuing a two-year pause on the tariff which will end this June. Once the pause is lifted, foreign-made module prices in those four countries will increase in the hopes of spurring domestic manufacturing. Wherever a developer sources their modules after June 2024, it is unlikely that hardware costs will continue to decrease as the current declining block model assumes.

The declining block model is outdated and no longer a good fit for solar development in Massachusetts. Ampion asks the DOER to update their incentive model to take into account cost shifts for all aspects of development as the market has become more saturated and the low-hanging

fruit has been picked. Solar development costs cannot continue to decline forever, and Ampion believes that the incentive model should adjust accordingly.

Question 12: What additional consumer protection measures or modifications to existing measures should the SMART program incorporate to ensure such protections are achieving their objectives, especially as they pertain to low-income customers?

#### Monthly Allocations and the 100% Allocation Requirement

Eversource has communicated to Ampion and others that it intends to implement functionality that would allow subscription management companies to update community solar subscription allocations monthly instead of the current limit of four times per year. This would be incredibly beneficial for both subscription managers and subscribers alike. By increasing the allowable amount of annual allocation adjustments, subscription managers can more accurately adjust customer's allocations to reflect changing consumption, which in turn, will maximize subscriber savings. Additionally, more frequent allocation adjustments allow for customers to be removed from sites more quickly when they request to cancel. Conversely, we are not able to add a new subscriber to a site if we have used up the four allocation adjustments in a given year.

Unfortunately, the DOER requirement that a site must be 100% allocated in order to submit allocation adjustments significantly decreases the practicality of allowing them monthly. If the site must remain 100% allocated every time an adjustment is made, we are still unable to remove a customer from a site until there is a replacement subscriber to fill their spot. Allowing flexibility to submit allocation adjustments without requiring that the site be 100% allocated would increase consumer protections by allowing subscription management companies to remove customers upon their request as expeditiously as possible.

#### Disclaimer about Net Crediting and HMB changes

As a longtime participant in the Massachusetts community solar market, Ampion believes there are two critical initiatives that would improve consumer protections, especially for low-income subscribers. These are enhancements in host meter bill data provided by the utilities and utility consolidated billing for community solar, often referred to as net crediting. While these improvements would likely require action by the Department of Public Utilities (DPU) and therefore

may be outside the purview of the DOER, we would be remiss not to mention their benefits. As the administrator of the program, we believe the DOER should do everything in their power to facilitate these two critical improvements to the program.

#### Enhanced HMB Data

In the past, Ampion and other subscriber management organizations have asked Eversource and National Grid ("Utilities") and the DPU for enhancements to host meter bill reports for community solar projects. Under current reporting standards, subscriber management organizations are only able to see the total number of AOBCs that are generated and allocated to each subscriber. In some cases, especially in summer months when solar production is high, the value of the AOBCs allocated to customers exceeds their monthly utility charges. This results in excess credits that remain on the customer's account as a negative balance to be applied to the next month's utility bill. It is the standard practice to allocate customers in this way so that they can use these excess credits throughout the rest of the year when solar production is lower. This maximizes total benefit on an annual basis.

Without access to information that breaks down the total amount of allocated credits applied to a month's bill and the total amount of excess credits that remain on the customer's account for use in the following month, subscription management companies have no choice but to bill customers for the total allocated credit amount, even if that amount exceeds the amount actually used by the customer. If the Utilities provided subscription management companies with information on the amount of allocated credits that were applied to a customer's bill and the excess credit amount that remained as a negative balance, we would be able to bill customers based on the actual amount of credits used by the customer during the relevant monthly billing period. This would allow subscription management companies to more accurately allocate subscribers and ensure that customers are not paying for more credits than they use in months of high solar production.

#### Net Crediting / Utility Consolidated Billing (UCB)

Ampion implores the DOER to work with the DPU to adopt utility consolidated billing, referred to as net crediting, for community shared solar (CSS) and low-income community shared solar (LICSS) projects. Net crediting for community solar is a policy that was first adopted by New York and has since been approved in community solar programs around the country including Illinois, Maryland,

Minnesota, New Jersey, and Oregon. While net crediting improves the customer experience for all customers, it is especially beneficial for low-income customers.

Net crediting can provide a variety of benefits for CSS/LICSS subscribers by simplifying the transaction. Currently, customers who subscribe to a CSS/LICSS project receive community solar credits on their utility bill, significantly decreasing it, and then receive a second bill from their community solar provider for the value of the AOBC credits at a percentage discount. This can be a complicated transaction for lay consumers who are not sophisticated energy buyers. Under a net crediting model, the subscriber's community solar provider charges (i.e. "subscription fees") would be included directly on the utility bill at the specified discount percentage in the customer's community solar contract. The Utilities are then responsible for remitting the subscription fee revenue back to the community solar providers, and are permitted to charge a modest administrative fee based on the total bill credit volume (1-2%).

For low-income customers specifically, net crediting would make it possible for AOBC credits and existing energy assistance programs such as LIHEAP to work in tandem to reduce energy burden. When a customer receives LIHEAP benefits directly on their utility account, the existing two-bill paradigm does not allow this assistance to cover the customer's CSS/LICSS bill issued by the community solar provider. This reality poses a fundamental challenge when serving low-income customers who are on utility assistance by pitting community solar subscription benefits and LIHEAP benefits against each other. If Massachusetts implemented net crediting, the discounted subscription fee would be included on their utility bill, and therefore could be paid for by existing energy assistance.

Developing a workable net crediting offering will require collaboration from industry participants, Utilities, the DPU, and the DOER. However, Ampion believes that the benefits to the subscriber experience, especially for low-income customers, makes it well worth the initiative. Luckily for Massachusetts, there are already successful examples of net crediting paradigms across the country and we recommend building an offering that aligns with New York's model specifically.

Question 14: Is there any additional feedback you wish to provide to DOER?

Ampion would appreciate it if communication and stakeholder engagement regarding SMART program changes could be increased in the future. For example, the most recent change in



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disclosure form rules was announced with a short deadline to implement the change and no opportunity for feedback that we were aware of. We appreciate that the DOER extended the original deadline after receiving feedback from industry participants. To our knowledge, participants were not consulted on the perceived issue, the rule change, nor how long it would take industry to implement the new disclosure form requirement. Outreach for input before a change is made to the SMART program and ways to engage after a change is made would allow participants to work with the DOER and CLEAResult and implement any changes smoothly and accurately.

/s/ Chris Kallaher

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