



October 28, 2016

Michael Judge, Director
Renewable and Alternative Energy Division
Massachusetts Department of Energy Resources

Dear Michael,

SunBug Solar would like to thank you for your significant effort in pulling together multiple stakeholders toward designing the incentive program that will succeed SREC II.

SunBug has participated by offering input through leading solar industry voices such as SEBANE. SunBug is in full support of the comments submitted separately by SEBANE President William Stillinger on behalf of our industry.

In addition to those comments, we have these three main concerns and associated recommendations.

Lack of Support for Direct Ownership

We can find no place in the Straw Proposal where DOER addresses its own explicit objective to “expand direct ownership of solar among residents and businesses.” This seems like a clear oversight, and we hope to see it addressed as the program design moves forward. The most direct way to address that within the proposed framework is with an off-taker based adder for direct ownership.

Lack of Support for “True Residential-Scale” Projects

The average Massachusetts residential electric customer consumes approximately 8000 kWh per annum. According to the most recent data available (as of today from the Mass Solar Loan Consumer Dashboard) the median residential project size in that program is 8kW, statewide. And within SunBug’s own residential customer base in 2016, over 90% of our residential systems are sized at 10kW AC or less.

Yet the smallest tariff value tier level in the in the proposed Straw Proposal is less than or equal to 25kW AC.

The cost-per-watt difference between a residential 6–8kW system and a 15–20kW system is significant, at least 25% depending on siting factors. And yet a larger residential array installed at \$3/watt would benefit from the same incentive level as a smaller array installed at \$4/watt.

The most direct way to address this mis-alignment with the market in this proposed framework is to make the first incentive tier “Less than or equal to 10kW AC (or 25kW AC Low Income)” and then increase that tier level \$/kWh to reflect the increased cost associated with deploying systems of “true residential-scale” in the commonwealth.

Lack of Inclusion for Municipal Light Plants

This is a vexing problem to be sure, and unlike the other two issues above we have no clear path to resolution. However we wish to underscore the value of resolving this issue, and offer our support. SunBug has served many customers within MLPs, and intends to serve many more in the future. Should you pull together a sub-group tasked with overcoming this significant hurdle for 50+ of the state's 351 municipalities, feel free to call on SunBug for input.

SunBug appreciates your efforts. We looks forward to continued collaboration toward forging a new, robust incentive structure that promotes the widespread adoption of solar PV statewide for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben Mayer", with a long, sweeping horizontal line extending to the right.

Ben Mayer
Vice President Residential Projects, SunBug Solar