

May 27, 2016

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

Re: Comments on SREC II Emergency Regulation, 220 CMR 14.00

Dear Commissioner Judson:

We sincerely appreciate the opportunity to submit comments on the emergency regulation, 220 CMR 14.00 (the "Emergency Regulation") adopted by the Department of Energy Resources ("DOER") on April 8, 2016. We applaud DOER's efforts to amend its regulation to efficiently wrap up the SREC II program and bridge to the forthcoming solar incentive program currently under development. We do have a couple of specific changes that we wish to submit to DOER that we think further clarify and improve intent of the regulation to transition to the new incentive program.

First, we would suggest that DOER consider extending the ninth month period to complete projects (i.e. a deadline of January 8, 2017) by four (4) months to allow for a smoother transition to the new incentive program which we anticipate would launch for the start in January as the start of the Emergency Regulation's compliance year. By extending the transition date or otherwise allowing projects to opt in to either program during the first four months, it will allow for a more seamless transition and preclude a lull in the industry. We would suggest a final date to participate SREC II be set as May 8, 2017. In addition, this timeline avoids issues related too unforeseeable inclement winter weather conditions, labor shortages leading to scarcity pricing, material shortages, and other unintended consequences (the unknown unknowns). This additional four month period could be coupled with a milestone requirement on January 8, 2017, such as having committed 50% of construction costs, similar to the milestone as part of the end of the SREC I program.

Second, we recommend providing an extension caused by projects involved in litigation or other legal issues that create a delay in construction and interconnection to meet the requirements of the Emergency Regulation. This is consistent with both DOER's Assurance of Qualification Guideline, the Department of Public Utilities' system of assurance, and the Interconnection Tariff timelines. We would propose the following language be added as a paragraph "c" to 220 CMR 14.09(s)(4) of the Emergency Regulation such that there would be three separate ways to extend the timeline requirement, (a) utility delay, (b) good cause, or (c) legal challenge.

- c. Any Solar Carve-Out II Renewable Generation Unit may obtain an extension of six months if the Owner or Operator of the Solar Carve-Out II Renewable Generation Unit certifies that construction and interconnection of the Solar Carve-Out II Renewable Generation Unit has been delayed due to a legal challenge.

Third, we recommend that SREC II Renewable Generation Units less than or equal to 25 kW should be given a date certain for the transition from SREC II to the new incentive program so that clients have a reasonable window of time to plan appropriately for financing and installation of their systems and not be blindsided by a sudden start date for the new program that may invalidate their financial package. Alternatively, allowing for “a date certain or the beginning date of the new program, whichever is later” would be preferable to the current unknown date of the transition to the new program. We would recommend changing the first sentence of 220 CMR 14.09(s)(3) as indicated by language underlined below.

3. A Solar Carve-out II Renewable Generation Unit that has a rated capacity equal to or less than 25 kW, which has received its authorization to interconnect or permission to operate from its local distribution company and has submitted a Statement of Qualification Application by the effective date of a new solar incentive program established by the Department or a date announced by the Department, whichever is later, shall be provided a Statement of Qualification provided it meets all other applicable eligibility criteria of 225 CMR 14.00.

Again thank you and your staff all for the hard work, the sense of fairness and equity applied to the thought process, and your collective passion for promoting renewables in the Commonwealth,

Sincerely,

Haskell Werlin  
Director of Business Development, Solar Design Associates Inc.  
Board Member, MassSolar