

**Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs
DEPARTMENT OF ENERGY RESOURCES**

**RENEWABLE ENERGY PORTFOLIO STANDARD
(225 CMR 14.00)**

GUIDELINE

RPS Solar Carve-Out II Extensions

August 31, 2016

(1) Purpose

This Guideline provides guidance for Solar Carve-out II Renewable Generation Units that have not received the authorization to interconnect or permission to operate from their local distribution company by January 8, 2017. If a qualified Generation Unit establishes to the department that it meets the criteria for an extension under 225 CMR 14.05(9)(s)4.

(2) Scope

This Guideline applies to all Solar Carve-out II Renewable Generation Units larger than 25 kW DC that have received a Statement of Qualification and have not received the authorization to interconnect or permission to operate by January 8, 2017.

(3) Definitions

Refer to 225 CMR 14.02 for definitions of terms used in this Guideline.

(4) Meeting 50% Construction Costs Incurred for January 8, 2017 Extension

(A) Eligibility of Applicants that Can Qualify for an Extension

If a Solar Carve-out II Renewable Generation Unit establishes to the Department that it has incurred 50% of its construction costs as required in 225 CMR 14.05(9)(s)4.a. and pursuant to the provisions in this Guideline, the Department will grant an extension, until May 8, 2017, to secure an authorization to interconnect or permission to operate from their local distribution company.

(B) Construction Costs

Construction costs will be defined as any costs associated with building the Solar Carve-out II Renewable Generation Unit, excluding legal fees, permitting, and financing costs.

(C) Calculating Total Construction Costs

The total construction costs of a Solar Carve-out II Renewable Generation Unit will be either 1) the product of its total capacity as measured in direct current multiplied by the corresponding dollar per watt cost as set forth below in Section (4)(C)1-5, or 2) by the Authorized Agent of the Generation Unit Owner or Operator providing the Department with actual demonstrated costs in the Detailed Construction Costs Form described in Section (4)(E)1 of this Guideline and appropriate documentation of such costs.

1. Presumptive Total Cost for Mid-Sized Roof Mounted Generation Units

A Mid-Sized Roof Mounted Generation Unit is defined for the purposes of this Guideline as having a rated capacity larger than 25 kW and equal to or less than 500 kW as measured in direct current that is primarily mounted on the roof of a building. Its presumptive total construction costs will be set as \$2.50 per watt.

2. Presumptive Total Cost for Large Roof Mounted Generation Units

A Large Roof Mounted Generation Unit is defined for the purposes of this Guideline as having a rated capacity larger than 500 kW as measured in direct current that is primarily mounted on the roof of a building. Its presumptive total construction costs will be set as \$2.25 per watt.

3. Presumptive Total Cost for Mid-Sized Ground Mounted Generation Units

A Mid-Sized Ground Mounted Generation Unit is defined for the purposes of this Guideline as having a rated capacity larger than 100 kW and equal to or less than 500 kW as measured in direct current that is primarily mounted on the ground. Its presumptive total construction costs will be set as \$2.45 per watt.

4. Presumptive Total Cost for Large Ground Mounted Generation Units

A Large Ground Mounted Generation Unit is defined for the purposes of this Guideline as having a rated capacity larger than 500 kW as measured in direct current that is primarily mounted on the ground. Its presumptive total construction costs will be set as \$2.25 per watt.

5. Presumptive Total Cost for a Solar Canopy Generation Unit

A Solar Canopy Generation Unit is defined for the purpose of this Guideline as having at least 75% of the nameplate capacity of the solar modules used for generating power installed on top of a parking surface or above a pedestrian walkway so as to maintain the parking or pedestrian function of the surface. Its presumptive total construction costs will be set as \$3.00 per watt.

(D) Incurred Costs

Costs will be considered to have been incurred by the developer for actual disbursement of funds or upon entering into a binding legal obligation for goods and services. Costs must be incurred no later than January 8, 2017.

Goods and services procured internally shall be demonstrated, at the request of the Department, by providing a Purchase Order or equivalent documentation specifically assigning such goods or services to the Solar Carve-out II Renewable Generating Unit.

(E) Documentation Requirements

The following documentation must be provided to the Department by no later than January 23, 2017 for all Solar Carve-out II Renewable Generation Units seeking an extension under 225 CMR 14.05(9)(s)4.a:

1. Detailed Construction Costs Form

DOER provides as part of this Guideline a Detailed Construction Costs Form for all developers to use in order to categorize the different components of construction costs and require Solar Carve-out II Renewable Generation Units to document how much each component represents of the total project costs.

2. Signed Affidavit

The Authorized Agent of each Solar Carve-out II Renewable Generation Unit that submits an application for an extension to the Department will be required to certify via an affidavit under penalty of perjury that all information provided to the Department in the Detailed Construction Costs Form is accurate and reflects actual costs incurred per the definition in Section (4)(D) of this Guideline.

3. Additional Documentation Requirements

The Department reserves the right to require that additional documentation be provided by representatives of the Solar Carve-out II Renewable Generation Unit to substantiate the claims made in the Detailed Construction Costs Form. This information must be provided to the Department within 10 business days of the request being made.

(F) Reduced SREC Factor

Solar Carve-out II Renewable Generation Units that qualify for an extension under 225 CMR 14.05(9)(s)4.a will receive a reduced SREC Factor as prescribed in the revised SREC Factor Guideline.

(G) Power to Audit

The Department reserves the right to request and audit additional information used to support a Solar Carve-out II Renewable Generation Unit's cost expenditure claims. The Department will exercise this right and audit, by random sample, a minimum of 10% of the applications for extension that are received by the Department.

(5) Extension Pending Authorization to Interconnect

If a Solar Carve-out II Renewable Generation Unit can demonstrate to the Department's satisfaction that its interconnection depends only upon receipt of notice of authorization to interconnect from the distribution company, and that it also meets the eligibility criteria per 225 CMR 14.05(9)(s)4.b., its Statement of Qualification shall be extended indefinitely until such notice is received or denied. DOER will accept the following forms of documentation as proof that a unit is mechanically complete and is only waiting upon the authorization to interconnect:

- (A) Copy of the certificate of completion signed by the local wiring inspector
- (B) Proof the a wiring inspection has been scheduled
- (C) Affidavit signed by the engineer of record stating that the project is "mechanically complete"
- (D) Other documentation deemed satisfactory by DOER

(6) Extension for Good Cause

If a Solar Carve-out II Renewable Generation Unit can demonstrate to the Department's satisfaction that good cause warrants an extension outside of that permitted under 225 CMR 14.05(9)(s)4.a or b, its Statement of Qualification shall be extended by an amount of time to be determined by the Department, per 225 CMR 14.05(9)(s)c.

(7) Additional Extension under 225 CMR 14.05(4)(k)4.c

A Solar Carve-out II Renewable Generation Unit that has received an extension to May 8, 2017 under 225 CMR 14.05(9)(s)4.a will be deemed eligible for such further extension under 225 CMR 14.05(4)(k)4.c if it can be demonstrated to the Department's satisfaction (including but not limited to an Affidavit from the Engineer of record that the system is mechanically complete) that substantially all of the solar equipment on the End-Use Customer's side of the local distribution company's meter, including panels, inverters, ballasts, or other mounting equipment, has been physically constructed and all payments due to the local distribution company under the interconnection service agreement prior to May 8, 2017 have been paid as and when due. All documentation from projects requesting this extension must be submitted to the Department by no later than May 8, 2017.

(8) Advisory Letter Process

The Department may clarify how any of the provisions of this Guideline will be enforced through the issuance of advisory letters at the request of stakeholders.

(9) Correspondence

The Department will notify applicants seeking extensions under Sections (4) and (5) of this Guideline of whether or not they will receive an extension within 21 days of submission by the applicant. This notification will be provided by the Department in writing.