

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

**SOLAR MASSACHUSETTS RENEWABLE TARGET PROGRAM
(225 CMR 20.00)**

GUIDELINE

Statement of Qualification Reservation Period Guideline

Effective Date: September 12, 2018

Revised: November 8, 2019

1) Purpose

This Guideline provides Solar Tariff Generation Units with information relating to the processes and procedures that they must follow to both obtain and retain a Statement of Qualification pursuant to 225 CMR 20.06. All capitalized terms are defined in 225 CMR 20.00.

2) Initial Reservation Period for Project Implementation

Any Solar Tariff Generation Unit that obtains a Statement of Qualification will be granted an initial Reservation Period of 12 months from the issuance date of the Statement of Qualification, with the exception of Solar Tariff Generation Units that were selected under the initial competitive procurement under 225 CMR 20.07(3), which will have their 12 month initial Reservation Period begin as of the SMART Program Effective Date. Unless the Commercial Operation Date occurs within this initial Reservation Period or the Solar Tariff Generation Unit receives an extension permitted under Section 6 of this Guideline, the Solar Tariff Generation Unit's Statement of Qualification will expire and will be revoked by the Department.

3) Determining of Queuing Order and Application Periods

The order in which prospective Solar Tariff Generation Units shall be allocated a Statement of Qualification shall be determined by the calendar date and time on which a complete Statement of Qualification Application is submitted to the Solar Program Administrator.

a) Initial Application Period

The Department shall establish the date upon which Statement of Qualification Applications will first be accepted. The application will become available to prospective Solar Tariff Generation Units as of 12:00 PM Eastern Time on the date established by the Department. Notwithstanding the process outlined in section 3(a), all applications submitted on that day, and the following four business days, will be considered to have been submitted at the same time. Applications will be further ordered in the following manner:

- i. Applications for Solar Tariff Generation Units with a capacity of 25 kW AC or less will be ordered according to the date of the fully executed contract between the Primary Installer and the Customer of Record.
- ii. Applications for Solar Tariff Generation Units with a capacity of more than 25 kW AC will be ordered according to the execution date on the Generation Unit's Interconnection Service Agreement.

b) Tie-Breaker

In the instance that two Solar Tariff Generation Units have the same contract or Interconnection Service Agreement execution date, Solar Tariff Generation Units will be ordered according to a random selection performed by either the Department or the Solar Program Administrator.

4) Complete Statement of Qualification Application

A complete Statement of Qualification Application for a prospective Solar Tariff Generation Unit shall provide all documents as required by 225 CMR 20.06, complete all required application fields on the Statement of Qualification Application, and submit any application fee required by the Solar Program Administrator.

5) Cure Process

If the Statement of Qualification Application is deemed incomplete upon the initial review by the Solar Program Administrator, the Solar Program Administrator or Department shall notify the Solar Tariff Generation Unit of any deficiencies and provide the applicant with ten Business Days to cure them. If a complete, corrected, application is not resubmitted by the deadline, the application will be rejected.

6) Extended Reservation Periods

The Department may grant extensions to a Solar Tariff Generation Unit's initial Reservation Period under the following circumstances:

a) Extended Reservation Period for a Fee

A Solar Tariff Generation Unit may seek an extended Reservation Period of up to six months by paying a fee to the Solar Program Administrator. The fee shall be \$25 per kW AC, shall be held by the Solar Program Administrator in escrow, and shall be refundable if the Solar Tariff Generation Unit achieves mechanical completion within the extended Reservation Period. If the Solar Tariff Generation Unit does not achieve mechanical completion within the extended Reservation Period, the Solar Tariff Generation Unit's Statement of Qualification shall expire and the fee will be used to offset the administrative costs incurred by the Solar Program Administrator.

b) Extended Reservation Period for Legal Challenges

A Solar Tariff Generation Unit may seek an extended Reservation Period of up to six months if the Solar Tariff Generation Unit submits a certification that a governmental permit or approval of the Solar Tariff Generation Unit was subject to a legal challenge initiated by a party other than the Owner during its initial Reservation Period.

c) Extended Reservation Period Pending Authorization to Interconnect

If a Solar Tariff Generation Unit can demonstrate to the Department's satisfaction that interconnection depends only upon receipt of notice of authorization to interconnect from the Distribution Company, its initial Reservation Period shall be extended indefinitely until such notice is received or denied.

- i. For the purposes of satisfying the requirements of an extension under Section 6(c) of this Guideline, a Solar Tariff Generation Unit may provide a Certificate of Completion, signed by the local wiring inspector.

d) Extended Reservation Period Pending Affected System Operator Study

If a Solar Tariff Generation Unit can demonstrate to the Department's satisfaction that it has received notification from the Distribution Company that the Solar Tariff Generation Unit is included in an Affected System Operator study, and as a result, is subject to extended study and delays, its initial Reservation Period shall be extended six months. If, after such initial six month period, the Solar Tariff Generation Unit can demonstrate to the Department's satisfaction that it remains subject to further study, its Reservation Period may be extended further, for an amount of time to be determined by the Department, informed by the most up to date timeline provided by the Distribution Company to the Solar Tariff Generation Unit.

- i. For the purposes of satisfying the requirements of an extension under Section 6(d) of this Guideline, a Solar Tariff Generation Unit may provide written notice from the Distribution Company, or some other

evidence to the Department's satisfaction, alerting the Solar Tariff Generation Unit of its inclusion in an Affected System Operator Study, and a timeline clearly detailing the anticipated delays.

e) Extended Reservation Period for Good Cause

If a Solar Tariff Generation Unit has already received an extension under Section 6(a) of this Guideline and can demonstrate to the Department's satisfaction that good cause warrants a further extension not provided for under sections 6(b) or (c) or (d) of this Guideline, it shall receive an extended Reservation Period with a deadline determined by the Department.

7) Waiting Lists

If there is insufficient capacity in a Distribution Company's final Capacity Block for a Statement of Qualification to be granted to a Solar Tariff Generation Unit, the Department shall add the Solar Tariff Generation Unit to the applicable Distribution Company's Capacity Block waiting list. Priority on a waiting list shall be based on the date that the Department receives a complete Statement of Qualification Application. As capacity under a Distribution Company's last Capacity Block becomes available (e.g. through a Solar Tariff Generation Unit losing its Statement of Qualification or reducing the capacity reserved), the Department shall offer such available capacity to Solar Tariff Generation Units on the applicable waiting list, in order of priority as follows:

- i. If the capacity offered to a Generation Unit on a waiting list is equal to or greater than the amount sought in a Statement of Qualification Application, the Solar Tariff Generation Unit may accept the offer. If the Solar Tariff Generation Unit does not accept the Statement of Qualification offered or does not respond within 15 Business Days of the offer, the Department shall deem the Statement of Qualification Application withdrawn, and the capacity will be offered to the next Solar Tariff Generation Unit on a waiting list.
- ii. If the amount of capacity offered to a Solar Tariff Generation Unit is less than the amount sought in a Statement of Qualification Application, the Generation Unit may:
 - (1) accept the offer of a reduced Capacity Block Allocation and receive a Statement of Qualification for the reduced Capacity amount, or
 - (2) accept the offer, hold the Capacity Block Allocation, and remain on the Waiting List until additional Capacity becomes available. As additional capacity becomes available under the Distribution Company Capacity Block, it will be assigned to the same Solar Tariff Generation Unit until 100 percent of the capacity listed in its Statement of Qualification Application can qualify under that Distribution Company's Capacity Block.

Reservation periods established under Section 2 of this Guideline shall not begin until a Solar Tariff Generation Unit has accepted the offer of a reduced Capacity Block Allocation and received a Statement of Qualification or received a Statement of Qualification for 100 percent of the capacity listed in its Statement of Qualification Application.

8) Expiration of Reservation Period

If a Solar Tariff Generation Unit's Reservation Period expires, the Department shall revoke its Statement of Qualification. Any capacity that the Solar Tariff Generation Unit had previously reserved under a Capacity Block will be removed from that Capacity Block and assigned to the current Capacity Block in which new Solar Tariff Generation Units are reserving capacity.

9) Adder Eligibility and Qualification

a) Location Based and Solar Tracking Adders

A Solar Tariff Generation Unit that is applying for a Location Based Adder and/or Solar Tracking Adder, as defined in 225 CMR 20.07(4)(a) and (d), respectively, must provide proof of adder eligibility at the time it submits its Statement of Qualification Application, and must verify that it meets all adder eligibility criteria upon its Commercial Operation Date.

- i. The following documentation will be required for a Solar Tariff Generation Unit to qualify for Location Based and Solar Tracking Adders:

Location Based Adder	Required Documentation - Statement of Qualification Application	Required Documentation - Interconnection and Tariff Enrollment
Building Mounted	Site plan	Authorization to Interconnect
Floating Solar	Pre-determination letter, as issued by the Department	Authorization to Interconnect
Brownfield	Pre-determination letter, as issued by the Department	Authorization to Interconnect
Landfill	Post-closure use permit, as issued by the Department of Environmental Protection	Authorization to Interconnect
Canopy	Site plan	Authorization to Interconnect
Agricultural	Pre-determination letter, as issued by the Department	Authorization to Interconnect
Solar Tracker	Site Plan	Authorization to Interconnect

b) Off-taker Based Adders

A Solar Tariff Generation Unit that is applying for an Off-taker Based Adder as defined in 225 CMR 20.07(4)(b) may qualify for an adder at any time during a Solar Tariff Generation Unit's Reservation Period, or after its Commercial Operation Date, provided it is still within its compensation rate term, pursuant to 225 CMR 20.07(1). A Solar Tariff Generation Unit must demonstrate continued compliance with all requirements of 225 CMR 20.00 after its Commercial Operation Date in order to retain its eligibility for an adder.

- i. A Solar Tariff Generation Unit that qualifies for an Off-taker Based Adder after its Commercial Operation Date may only receive the Compensation Rate Adder(s) for the remainder of its compensation rate term, provided it can demonstrate continued compliance with the eligibility criteria. The value of the Compensation Rate Adder for such facilities will be the applicable Compensation Rate Adder at the time the Solar Tariff Generation Unit qualifies for the Off-taker Based Adder.
- ii. A Solar Tariff Generation Unit may change an Off-taker Based Adder one time during its tariff term.
- iii. The following documentation will be required to qualify a Solar Tariff Generation Unit for Off-taker Based Adders:

Off-taker Based Adder	Required Documentation - Statement of Qualification Application	Required Documentation - Interconnection and Tariff Enrollment
Community Shared Solar	N/A	Schedule Z/ Credit Allocation Form/ Off-taker list; Customer Disclosure Forms
Low Income Property	Pre-determination letter, as issued by the Department	Schedule Z/ Credit Allocation Form/ Off-taker list; Off-taker contract
Low Income Community Shared Solar	N/A	Schedule Z/ Credit Allocation Form/ Off-taker list; Customer Disclosure Forms;

		Evidence of low income eligibility for off-takers
Public Entity	Proof land is publicly owned	Schedule Z/ Credit Allocation Form/ Off-taker list; Off-taker contract

- iv. A Solar Tariff Generation Unit seeking a Community Shared Solar adder or Low Income Community Shared Solar adder must show they meet the definition to qualify for the adder in question, and must demonstrate that no individual or distinct legal entity will receive bill credits or electricity in an amount that exceeds the applicable limitations, (i.e. 25 kW AC or 50% of total output) even if the credits are allocated across multiple utility accounts.¹
- v. A Solar Tariff Generation Unit seeking a Community Shared Solar adder or Low Income Community Shared Solar adder must allocate at least 90% of generated net metering credits or alternative on bill credits at the time of tariff enrollment to qualify for the adder. To remain in compliance for the adder, an Applicant must provide to the Department an updated Schedule Z, Credit Allocation Form, or Off-taker list annually by no later than December 31st, demonstrating the project continues to be at least 90% allocated.

c) Energy Storage Adder

A Solar Tariff Generation Unit that is applying for an Energy Storage Adder as defined in 225 CMR 20.07(4)(c), may qualify for an adder at any time during a Solar Tariff Generation Unit's Reservation Period, or after its Commercial Operation Date, provided it is still within its compensation rate term, pursuant to 225 CMR 20.07(1).

A Solar Tariff Generation Unit that qualifies for an Energy Storage Adder after its Commercial Operation Date may only receive the Compensation Rate Adder(s) for the remainder of its compensation rate term, provided it can demonstrate continued compliance with the eligibility criteria. The value of the Compensation Rate Adder for such facilities will be the applicable Compensation Rate Adder at the time the Solar Tariff Generation Unit qualifies for the Off-taker Based Adder and/or Energy Storage Adder.

Any Solar Tariff Generation Unit applying for an Energy Storage Adder will be granted a Reservation Period of 12 months from the date of reserving the adder. Unless the Commercial Operation Date for the Energy Storage System occurs within this initial Reservation Period or the Energy Storage System receives an extension permitted under Section 6 of this Guideline, the Solar Tariff Generation Unit will lose eligibility for the Energy Storage Adder.

10) Compliance with the SMART Tariffs

A Solar Tariff Generation Unit must remain in compliance with the provisions set forth in the SMART Tariffs as approved by the Department of Public Utilities. A Solar Tariff Generation Unit determined to be non-compliant with the SMART Tariff, may be notified by the Department of Energy Resources that they are found to be non-compliant pursuant to 225 CMR 20.11, which may result in the suspension or revocation of a Statement of Qualification.

¹ For example, a business with multiple utility accounts that is only eligible to receive a 25 kW AC share of the facility's output may receive bill credits on multiple accounts, provided the sum of the total allocation to all of these accounts does not exceed the 25 kW AC share allowed.