

Next Generation Solar Policy Framework for Massachusetts

Endorsers to date: Acadia Center, Acuity Power, Beaumont Solar, Berkshire Environmental Action Team, Berkshire Photovoltaic Services, Boston Community Capital, Clean Water Action, Climate Action Business Association, Coalition for Social Justice, Coop Power, East Light Solar, Environment Massachusetts, Environmental League of Massachusetts, FireFlower Alternative Energy, Healthlink, Heartwood Group, MassSolar, New England Clean Energy, Northeast Solar, RePower Partners, Solar Design Associates, Solar Store of Greenfield, South Mountain Company, WinnCompanies, and Zapotec Energy

The Next Generation Solar Policy Framework for Massachusetts seeks to preserve the best elements of the Commonwealth's nation-leading solar energy programs, while modifying the way that solar energy producers are compensated to fully and fairly account for the benefits that local solar resources offer to our energy grid and to provide a sustainable rate model for maintenance and modernization of the grid. The Framework would put us on a pathway to a self-sustaining solar industry that can help our state meet its energy and environmental goals and ensure all citizens and communities have access to solar resources.

In short, the Framework proposes the following policy changes to Massachusetts' solar programs:

- 1) Suspend and then eliminate the caps on net metering, which undermine solar development without providing benefits to ratepayers.
- 2) Preserve net metering and virtual net metering as the primary rate mechanisms to compensate solar producers.
- 3) Initiate a study by DOER of the benefits and costs that solar PV production offer to the energy grid and to society as a whole, to determine appropriate credits to solar projects.
- 4) Modify compensation through rates (e.g., net metering) to provide for a new "energy system benefit credit" and a "distribution system benefit credit" based upon the long-run values shown in the study. These changes should be phased in based on availability of appropriate and cost-effective metering and billing mechanisms, and the right of individuals to produce clean electricity for their own consumption must be respected. The credits for generation and transmission would remain the same as current policy.
- 5) Reform the solar carve-out programs within the Renewable Portfolio Standard by instituting a new "adjustable block" mechanism, which provides open-access long-term contracting to meet our solar goals more cost-effectively.
- 6) Avoid unnecessary minimum bills and increases in fixed charges that unfairly penalize low-income and low energy-use customers and put us further away from a utility regulatory structure that works for solar, energy efficiency, electric vehicles, storage, and other clean local energy resources.
- 7) Grandfather existing solar projects under the policy structures in place when the projects qualified for those policies in order to maintain the trust of those who made significant investments on that basis.