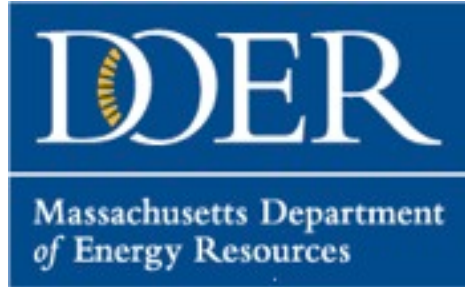


Creating A Clean, Affordable, and Resilient Energy Future For the
Commonwealth



**COMMONWEALTH OF
MASSACHUSETTS**

Charles D. Baker, Governor
Karyn E. Polito, Lt. Governor
Matthew A. Beaton, Secretary
Judith Judson, Commissioner

Next Generation Solar Incentive Stakeholder Meeting #6

December 1, 2016

Process and Schedule

- Stakeholder meetings are coming to a close
- Discussions have been productive and resolved many issues
- Several key issues remain:
 - On-bill crediting for QFs
 - Land use & siting criteria
 - Competitive procurement vs. DBI for large projects
 - Timing of new program relative to end of SREC II
- DOER planning to issue revised proposal this month

On-Bill Crediting Mechanism

- Is this feasible from a billing perspective?
 - How can the third-party administrator address utility concerns?
- What should the applicable rate be?
 - QF rate?
 - Basic service?
 - Other?
- Should there be a limit on the number of credits that can be allocated?
 - Percentage of bill?
 - Limited to kWh consumption?

Land Use & Siting Criteria

- Discussions still ongoing, but reconsidering some of the restrictions that were originally proposed
- Priority Habitat
 - After NHESP review, if a take of a habitat is found, the project will be ineligible for the tariff
- Ch 61A and APR land
 - Projects approved under current restrictions for renewable energy installations on those parcels
- Article 97 land – permanently protected open space
 - Exceptions allowed for canopies on parking lots and rooftop installations
 - Existing process for agricultural land
- Prime Agricultural Land (non-61A or APR) and Prime Forest
 - Possibility for some subcategories to be restricted from qualifying
 - Others would be approved using performance standards
- Possibility for exemptions if projects meet certain milestones
- Possibility of additional exceptions upon petition

Competitive Procurement

- Distribution companies, AIM, AGO, and NCLC have argued for some form of competition to be used in setting tariff rates as a means to achieve the lowest costs possible
- Opposition to procurement from the solar industry, citing the following:
 - Race to the bottom
 - High attrition rates
 - Administrative complexity
 - Efficacy of procurements vs. administratively set prices
 - Constraints on market growth if controlled by scheduled procurements

Solar + Storage Adder

- After reviewing Public Comments and Storage Stakeholder Discussions, DOER has created a proposed formula for a Storage Adder
- Adder is determined based on ratio of Power (kW) and energy (kWh, duration)
- Incentive levels were derived from State of Charge report data and represent values that address the revenue gap for storage projects, but deliver storage at a net benefit to ratepayer

Storage kW as % of	Storage Hours @ Rated Capacity								
	Minimum								Maximu
	2	2.5	3	3.5	4	4.5	5	5.5	6
25%	0.0275	0.0287	0.0298	0.0307	0.0316	0.0323	0.0330	0.0336	0.0342
30%	0.0357	0.0373	0.0387	0.0399	0.0410	0.0420	0.0429	0.0437	0.0445
35%	0.0425	0.0445	0.0461	0.0476	0.0489	0.0500	0.0511	0.0521	0.0530
40%	0.0477	0.0498	0.0517	0.0533	0.0547	0.0560	0.0572	0.0583	0.0594
45%	0.0512	0.0535	0.0555	0.0572	0.0588	0.0602	0.0615	0.0627	0.0638
50%	0.0535	0.0559	0.0580	0.0598	0.0614	0.0629	0.0642	0.0655	0.0666
55%	0.0550	0.0575	0.0596	0.0615	0.0631	0.0646	0.0660	0.0673	0.0685
60%	0.0559	0.0584	0.0606	0.0625	0.0642	0.0657	0.0671	0.0684	0.0696
65%	0.0565	0.0590	0.0612	0.0632	0.0649	0.0664	0.0678	0.0691	0.0703
70%	0.0568	0.0594	0.0616	0.0636	0.0653	0.0668	0.0683	0.0696	0.0708
75%	0.0571	0.0597	0.0619	0.0638	0.0655	0.0671	0.0685	0.0698	0.0711
80%	0.0572	0.0598	0.0620	0.0640	0.0657	0.0673	0.0687	0.0700	0.0713
85%	0.0573	0.0599	0.0621	0.0641	0.0658	0.0674	0.0688	0.0701	0.0714
90%	0.0573	0.0600	0.0622	0.0641	0.0659	0.0674	0.0689	0.0702	0.0714
95%	0.0574	0.0600	0.0622	0.0642	0.0659	0.0675	0.0689	0.0702	0.0715
100%	0.0574	0.0600	0.0622	0.0642	0.0659	0.0675	0.0689	0.0703	0.0715

Storage + PV

Other Topics

- Differentiating standalone vs. sized to load
 - Should there be a distinction?
 - How should sized to load determination be made? Percentage of historical consumption?
- Length of tariff
 - Should tariff terms be increased or decreased for certain projects?
- Adders
 - Should non-net metering adder be