

Hon. Stanley C. Rosenberg, Senate President
Hon. Robert A. DeLeo, Speaker of the House
HE. Charlie Baker, Governor of Massachusetts

Re: Sustainable Solar Policy

Dear President Rosenberg, Speaker DeLeo and Governor Baker:

The Lexington Board of Selectmen wishes to express our appreciation for the efforts of the Administration and the Legislature to ensure that the Commonwealth continues to lead the nation in energy efficiency and renewable energy. We understand that a balanced, long-term energy plan with a range of energy sources providing safe, efficient and uninterrupted energy delivery is essential if we want to maintain and improve our economic growth and provide a high quality of life for our residents. We appreciate the efforts of you and your colleagues to comprehensively address our energy issues.

Electricity from solar must be a key part of this picture. In recent years, Massachusetts has become a leader in solar development, with over 985 megawatts of installed solar capacity statewide. Local efforts in cities and towns, like Lexington, to host solar installations on residential, commercial, and municipal property has been the bedrock of this success, creating over 15,000 jobs in Massachusetts, including over 4,200 jobs in Middlesex County alone. This is clear evidence that the policy framework established by the Green Communities Act and the Global Warming Solutions Act in 2008 has served us well.

The Town of Lexington completed the installation of a 1.1 MW rooftop solar project on 5 municipal schools and our public library in December 2014. We have recently approved the construction of a 2.2 MW ground mount solar project at the Town's Composting Facility. These two projects will produce roughly the equivalent of 45% of the Town's municipal electricity demand. In addition, 310 Lexington residents have installed 2.3 MW of solar on their homes, including 162 Lexington residents who installed 1.14 MW of privately-owned residential solar as part of the Commonwealth's Solarize Massachusetts program.

However it is with great concern that we are writing you. The Massachusetts solar industry is currently at a near standstill due to legislatively imposed net metering caps and the very recent termination of the SREC II incentive program for solar energy systems larger than 25kW. The net metering caps have stalled municipal and private projects in 171 communities in National Grid's service territory for the last 11 months. We expect projects in NSTAR's service area, which includes Lexington, will hit their cap limits within the next two months. In addition, 50% of the SREC II program capacity that was set aside for small systems has disappeared in the last 6 weeks. Once the SREC II capacity is gone, this will effectively eliminate the possibility of any new solar projects in Lexington – or anywhere else in the Commonwealth.

We are also concerned that some of the recent legislative proposals for addressing these issues have proposed imposing new charges on existing solar installations and retroactively reducing the net metering credit value host customers would receive for the solar electricity they produce. We would ask that any new solar legislation would protect host customers like the Town of Lexington and our residents by grandfathering existing solar installations under current solar policy terms and conditions.

Second, the value of net metering credits must be kept at a reasonable level. The most recent solar bills under consideration would dramatically decrease the value of net metering credits. Our municipal projects would not have been economically viable at any of the most recently proposed net metering rates. We are concerned that these proposed changes in net metering policy would risk the viability of any future projects.

Third, the SREC II incentive program has ended well in advance of achieving the Commonwealth's solar goals. We strongly support the rapid introduction of a follow on program that lowers overall costs while allowing Massachusetts to achieve our long-term solar goals and to take full advantage of the federal tax credits that have been extended.

In summary, the Lexington Board of Selectmen asks you to support (1) eliminating the net metering caps, (2) maintaining a fair value for net metering credits, taking into account project size and type, with full rates for projects under 25kW, municipal projects, low-income projects, and community solar projects, (3) rapidly introducing a follow-on solar incentive program, and (4) protecting existing solar customers by grandfathering them under current solar policy.

The time to act on global warming is now. Please do everything in your power to help achieve a 100% clean energy economy in Massachusetts.

Thank you very much.
Sincerely,

Lexington Board of Selectmen

CC:

HE. Charlie Baker, Governor

Hon. Michael Barrett, Senator

Hon. Kenneth Donnelly, Senator

Hon. Jay Kaufman, Representative,

Hon. Thomas H. Golden, House Chair, Joint TUE Committee

Senate Chair: Hon. Benjamin P. Downing, Joint Conference Committee

House Chair: Hon. Brian Dempsey

Senate Minority Member: Hon. Bruce E. Tarr

House Minority Member: Hon. Bradley H. Jones, Jr.