

April 15, 2015

Dear Legislator,

The Mass Solar Coalition, organized by the New England Clean Energy Council (NECEC), Solar Energy Business Association of New England (SEBANE), Solar Energy Industries Association (SEIA), MassSolar, Next Step Living and Vote Solar, is writing to urge you to address the solar net metering caps as quickly as possible.

Massachusetts is the second largest solar industry employer in the nation with more than 12,000 jobs created and supported by the solar industry. The Coalition, on behalf of our member companies, organizations and constituents, ask that you address the solar net metering caps as soon as possible and no later than the end of this summer's formal legislative session. Acting now can avoid the loss of jobs, tax revenue and federal incentives, as well as the loss of substantial benefits to the health and wellbeing of our communities and progress towards our global warming pollution reduction goals, all of which are being delivered by the Commonwealth's local solar industry.

At the end of last session, the Legislature enacted S 2214, *An Act relative to credit for thermal energy generated with renewable fuels*, which created the Net Metering and Solar Task Force to review solar policy and develop recommendations on long-term incentives and programs to support solar development in Massachusetts. While the Task Force, of which several of our organizations are members, is working productively to develop a set of recommendations that it will deliver to the Legislature by the end of April, the net metering caps have been hit in National Grid's public and private territories. This has halted the development of hundreds of solar projects in the 171 cities and towns in National Grid's service area, including municipal, commercial, low-income and community solar projects that could provide ratepayers with significant cost-saving benefits. If the Legislature does not act to address the net metering caps as soon as it can, and certainly no later than the end of the formal session this summer, these projects will not move forward.

There is growing consensus among the Task Force members that any changes to the Commonwealth's solar incentives frame work should take place after January 1, 2017 in order for Massachusetts to take advantage of the federal Investment Tax Credit (ITC) that provides up to 30 percent of a solar project's cost and is set to be reduced at the end of 2016. Raising the cap to allow these projects to proceed before the end of 2016 can provide up to \$500 million in additional federal funding to Massachusetts ratepayers looking to go solar, which will otherwise be paid for by Massachusetts residents and

businesses. At the same time, the project development will generate additional tax revenue for the state.

A number of recent studies (in states like Vermont, Maine, New York, Minnesota and Missouri) show that solar net metering is a net benefit to all utility customers due to solar providing significant benefits to the grid, economy and environment. On the other hand, there is little evidence that net metering raises overall system costs.

Additionally, it could easily take up to a year for the Legislature to turn the Task Force's long-term policy recommendations into legislation and approve them and even more time for Department of Energy Resources and the Department of Public Utilities to implement the new policies. While we believe the Commonwealth must establish a long-term policy framework to support the orderly development of solar, the Legislature should take this vital interim step and address the net metering caps in the near term, so that solar development, which has brought jobs and investment to the Commonwealth, is not disrupted and the process of developing and implementing a long-term sustainable solar policy framework can move forward smoothly.

Signed,

The Mass Solar Coalition:

Janet Besser - VP, Policy and Government Affairs
New England Clean Energy Council

Bill Stillinger - Board Member
Solar Energy Business Association of New England

Katie Rever - Director, State Affairs
Solar Energy Industries Association

Mark Sandeen – Co-Founder
MassSolar

Larry Aller – Business Development and Strategy
Next Step Living

Sean Garren – Regional Manager, Northeast
Vote Solar