



February 1, 2016

Senate President, Stanley C. Rosenberg
House Speaker, Robert A. DeLeo
Senator Benjamin B. Downing
Senator Marc R. Pacheco
Senator Bruce E. Tarr
Representative Brian S. Dempsey
Representative Thomas A. Golden, Jr.
Representative Bradley H. Jones, Jr.

Dear President Rosenberg, Speaker DeLeo, and Members of the Conference Committee,

We appreciate the efforts of the Legislature to ensure that the Commonwealth continues to lead the nation in energy efficiency and renewable energy. We urge you to support only energy policies that sustain continued growth in these industries.

House Bill 3854, proposes a radical departure from the current program, and would serve to undermine rather than stabilize solar industry development in Massachusetts.

Solar generated electricity must be a key part of satisfying energy demand in the future. In recent years, Massachusetts has become a regional leader in solar development, with approximately 1,000 megawatts of solar generation capacity now installed statewide. This is a significant step toward the current goal of 1,600 megawatts by 2020. **Local effort in cities and towns to host solar developments has been the bedrock of this success.** It is clear that the policy framework established by the 2008 Green Communities Act has led to important growth in the solar industry.

Massachusetts is behind on its carbon reduction requirements under the Global Warming Solutions Act, and the closing of Pilgrim nuclear plant will take over 80% of the carbon-free electric generation in Massachusetts offline. These factors emphasize the need for a stable, strong, and capable solar industry to meet our goals as a Commonwealth.

In order to sustain progress toward the state goal of 1,600 megawatts installed by 2020, and continue building on past achievements, we strongly support the elimination, or significant increase in, the metering caps, as well as maintaining fair market reimbursement rates and a similarly robust incentive program as exists in the current program.

Net metering is a critical part of solar development financing. The caps have already been reached in the National Grid and Unitil service territories, stalling many projects currently under development and precluding new ones from beginning. Soon the applications for projects in other areas, including Newton, will hit their cap limits as well.

The value of net metering credits must be kept at a reasonable level. Current policy, in many cases, is to value net metering credits at the full retail rate. After all, the net metering 'credits' are to pay for locally generated energy at a fair rate. **This is not a subsidy.** Several of the solar bills under consideration would decrease the value of net metering credits for new projects, once the goal of 1,600 megawatts is reached.

Finally, the SREC II incentive program is set to expire once 1,600 megawatts are installed. We strongly support the creation of a new incentive program that lowers costs for ratepayers and allows us to invest further in local solar energy generation.

Although the intention of these bills may be to support solar projects and sustain solar development, we are gravely concerned that cuts in reimbursement rates and elimination of incentive programs at this early stage will put future solar projects at risk. **Our engineering consultants tell us that several solar projects currently planned in Newton, which are reasonably estimated to save Newton over \$4 million in avoided energy costs, would not be possible at wholesale reimbursement rates.**

Sincerely,

Barbara Brousal-Glaser, Ward 3 Councilor
Deborah Crossley, Ward 5 At-Large Councilor
Victoria Danberg, Ward 6 At-Large Councilor
Alison Leary, Ward 1 Councilor
Emily Norton, Ward 2 Councilor

Cc: Rep. Ruth Balser
Rep. Kay Khan
Rep. John Lawn
Sen. Cynthia Creem
Mayor Setti Warren