



TOWN OF EASTON
MASSACHUSETTS
Office of the Town Administrator

DAVID A. COLTON
Town Administrator

June 3, 2015

Senator Benjamin Downing
Room 413-F
State House
Boston, MA 02133

Representative Thomas H. Golden
Room 473B
State House
Boston, MA 02133

Dear Chairmen Downing, Golden and Members of the Committee,

I am writing to follow-up on my verbal testimony given on June 2, 2015 regarding several bills concerning solar power and net metering in Massachusetts. In urging you to lift the cap on net metering I ask that you consider the following experience of the Town of Easton.

Easton's existing 1.86 MW solar facility has been in operation since November 2013 generating 3,394,126 kilowatts of clean electricity representing almost 1/3 of the consumption from our school and municipal facilities. In that time, virtual net metering has reduced electric bills by \$ \$267,497.98. These funds have remained in our school and public works budgets to fund education and maintenance of infrastructure.

In addition, we receive a \$35,000 annual lease payment and approximately \$50,000 in personal property taxes that contribute to our general fund. The project has the added benefit of placing a closed landfill back into productive use.

Easton's proposed new facility is stalled because the National Grid territory cap on net metering has been reached. This project would generate approximately 0.9 MW of clean electricity bringing Easton's total to almost 2.8 MW or almost 50% of our annual electricity consumption.

A conservative estimate of the electric bill savings is \$79,000 the first year for a total of \$1.5M over the life of the project. When taxes are included the value increases to approximately two million dollars.

The generated energy would be net metered to a complex of public school buildings and generate real dollars for our educational programs without raising taxes or affecting local aid.

As you know, I served as the municipal representative on the Solar and Net Metering Task Force. I offer the following three points based on that experience.

First, opponents of net metering and of lifting the cap correctly point to the cost of solar power and its distribution to ratepayers who do not participate in solar power generation. One of the biggest things I learned during the task force process was that we really do not know what the value of the benefits produced by solar power is, such that, the cost attributed to solar power is the gross cost unmitigated by the benefits. If we want a solar energy policy that fairly and with equity attributes cost, then we need to understand the value of solar. This is why I supported a task force recommendation that a value of solar study be undertaken. Perhaps when we understand the value of the benefits as well as we understand the cost of solar power we will conclude that the cost isn't very high at all.

Second, net metering, including virtual, in some form is essential to solar power development that provides benefits to diverse groups such as municipalities, college hospital campuses, housing developments and industrial parks. However, the utilities companies and others are not wrong to suggest that the current rules lead to inefficiencies. I believe that there is room to compromise here and that with more time the task force could have reached one. As a starting point, I authored language (included in the report) that begins to wrap our hands around placing some limitations on virtual net metering to create more efficiency. I hope that as we move forward that we can improve, but not cripple, virtual net metering as an effective tool.

Third, putting investor owned utilities in charge of solar procurement as proposed in S. 2896 would be an unmitigated disaster. This so-called competitive procurement process has failed to generate solar development in the other New England states that utilize it. Of the approximately 900 MW of solar generation in New England 841 (93%) comes from Massachusetts' SREC programs. The remainder comes from Rhode Island and Connecticut where the competitive procurement model is used. You have created a successful model for increasing solar energy generation; please don't throw the baby out with the bath water by supporting this methodology.

In closing, I appreciate the opportunity to comment on the proposed legislation and enjoyed the opportunity to serve as a member of the task force. If there are other opportunities to further your efforts in developing an appropriate solar policy for the Commonwealth please consider me as a resource at your disposal.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Colton', with a long horizontal line extending to the right.

David A. Colton
Town Administrator

cc: Senator Brian A. Joyce
Senator Thomas P. Kennedy
Representative Claire D. Cronin
Representative Shaunna O'Connell
Easton Board of Selectmen
Mr. Tom Philbin, Massachusetts Municipal Association