



COMMONWEALTH OF MASSACHUSETTS
THE GENERAL COURT
STATE HOUSE BOSTON 02133-1053

June 25, 2019

The Honorable Thomas A. Golden, Jr.
House Chair, Joint Committee on Telecommunications, Utilities and Energy
State House, Room 473B
Boston, MA 02133

The Honorable Michael J. Barrett
Senate Chair, Joint Committee on Telecommunications, Utilities and Energy
State House, Room 416
Boston, MA 02133

Dear Chair Golden and Chair Barrett,

We are writing respectfully to request your Committee's favorable consideration of H.2870, *An Act to allow equal access solar net metering projects*.

This bill addresses the negative impacts of two Department of Public Utilities rules governing net metering projects, the Single Parcel Rule and the Subdivision Rule (D.P.U. 11-11-C). The Single Parcel Rule provides that there can only be one net metering facility on a single parcel of land. The Subdivision Rule forbids the establishment of multiple net metering facilities when a parcel of land has been subdivided for the purpose of circumventing the Single Parcel Rule. Through these rules, the DPU sought to prevent developers from 'gaming the system' by dividing large solar projects into numerous smaller projects or dividing a piece of land into separate parcels in order to obtain net metering cap allocations and more favorable net metering rates.

Unfortunately, the Single Parcel and Subdivision Rules have had the unintended consequence of making it harder for middle and low-income residents to install solar. These consumers are more likely to live in multi-family homes or condominiums or in publicly-assisted housing, where multiple units on a property and/or unique building configurations are common. The DPU considers exceptions to the Single Parcel and Subdivision Rules on a case-by-case basis, but the time, risk and expense associated with seeking an exception are burdensome and often prevent residents or housing authority managers from pursuing solar development. When projects do receive the go-ahead, they have incurred significant costs that reduce their benefit to consumers.

Recognizing the inequities of the current regulatory regime and the inefficiency of case-by-case review, the DPU opened a docket (D.P.U. 17-22) to consider creating several categorical exemptions from the Single Parcel and Subdivision Rules. At the end of the proceeding, they created two very limited exemptions: one for multiple net metering technologies (i.e. wind, solar, anaerobic digestion) on a single parcel of land and one for multiple rooftop solar systems on a single property, provided that the aggregate capacity of all systems on the parcel does not exceed 10kW AC on a single-phase circuit or 25kW AC on a three-phase circuit and none of the customers virtually net meter. Unfortunately, these exemptions are too narrow to benefit most small projects, especially those that serve affordable housing developments and low-income communities. H.2870 will impact a greater number of deserving projects than either of the two blanket exemptions combined.

The Department of Energy Resources has recognized that the Single Parcel Rule is unnecessarily burdensome. In its design of the Solar Massachusetts Renewable Energy Target Program (SMART), it created an on-bill crediting mechanism as an alternative to net metering for Standalone Solar Tariff Generation Units that includes broad exceptions to the Single Parcel Rule. However, not all solar projects will qualify for SMART and the on-bill crediting mechanism is not available to any project serving behind-the-meter load. Most small multi-family home and affordable housing solar projects will still net meter and are still burdened by the Single Parcel Rule.

To cite two examples from western Massachusetts, 7 of 8 independently-owned condominiums on a single parcel of land in Florence and 5 of 6 units in a multi-tenant condominium building in Northampton cannot net meter because of the Single Parcel Rule. The North Canal Apartments in Lowell exemplify the problems the Single Parcel Rule can pose for affordable housing. This low-income, community-shared solar project stretches across 10 rooftops, meets about 15% of the property's common area electricity load and saves the property owner about \$10,000 per year. This project was constructed prior to the Single Parcel Rule, but to build it today would require navigating an expensive, time-consuming, and uncertain process of seeking an exemption that would likely prevent it from moving forward.

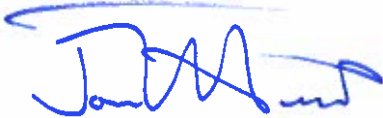
A statutory solution to this regulatory tangle is the best way to provide the clarity and predictability that consumers and developers need to pursue solar projects. H.2870 would create a new class of solar installations called "equal access solar net metering projects." They would be limited in size to 60kW or less, which is the maximum for a Class I renewable energy facility. A single distribution company customer would be allowed to register only one such equal access solar net metering project per property and could not register both an equal access solar net metering project and a solar net metering facility on the same parcel. There would be no limit to the number of equal access solar net metering projects on a single parcel of land, as long as each is registered to a different end-use customer. Publicly-assisted housing developments would be

exempt from the “one customer, one project” rule, as many of them consist of multiple freestanding buildings on a single parcel of land. This would permit a public housing development to situate equal access solar net metering projects on more than one of its buildings.

Establishing this new class of solar installations would allow many projects serving middle- and low-income residents and residents of condominiums, duplexes, and townhouses to avoid the cost and uncertainty of petitioning the DPU for an exception to the Single Parcel and Subdivision Rules. This will expand options for consumers currently unable to access solar, with benefits for them, the grid, and the climate. At the same time, by limiting the size of exempt projects to small systems 60kW or less, requiring each to be registered to a different end-user, and tracking the allocation of virtual net metering credits (as distribution companies already do), we can preserve the anti-gaming objectives that the two rules were intended to achieve.

We thank the Committee for its review of this important legislation and hope that we can have a conversation with the chairs and their staff about some potential technical amendments to strengthen the bill in the coming weeks. We respectfully request your favorable consideration.

Best regards,



Jonathan Hecht
State Representative
29th Middlesex



Joanne Comerford
State Senator
Hampshire, Franklin and Worcester