



## Solar Energy Policy: Shine a Bright Light on Communities

Massachusetts is a leader in solar energy, having grown from 10 megawatts (MW) in 2009 to more than 1,200 MW today, fostering a solar industry that has created nearly 15,000 jobs. As the sun is always free, relying on local solar energy helps protect against volatility in the price of fossil fuels from out of state. Another important benefit is that solar energy does not emit harmful pollution that causes human illness and adds to global climate disruption.

### **Mass Power Forward Supports:**

*An act relative to solar power and the green economy (H2706/S1846)*

Sponsor: Rep. Mark / Sen. Eldridge

*This legislation eliminates solar net metering caps, establishes a statewide solar target of 25% by 2030, and accelerates the Renewable Portfolio Standard (the “green power” mandate on utilities).*

*An act relative to solar power in environmental justice and urban communities (H3396/S1831)*

Sponsor: Reps. Holmes & Dubois / Sen. Chang-Diaz

*This legislation restores full compensation for low-income solar projects and projects serving environmental justice communities, directs the Department of Energy Resources to address barriers such as income, housing type, and language in its solar programs, and lifts the net metering cap 5%.*

MA solar policy needs to be updated to encourage more solar development, with attendant economic, health and environmental benefits. Our state should not limit (cap) the amount of electricity solar customers can be reimbursed for. Furthermore, the benefits of solar energy should be available to all residents of Massachusetts, regardless of income level or whether they own their own home or rent a place to live. That is why we are advocating for some changes in solar policy outlined below.

### **Background**

Solar net metering is a policy that credits solar customers with on-site solar energy systems when more energy is produced than is used, and the excess energy is available to the grid. At the end of every month, the person is billed for the “net” amount (used minus produced electricity), or credited for the unused excess with a dollar amount that can be saved for the future (for example in the winter when sunlight is more limited).

Virtual net metering also allows those net metering credits to be shared with other customers and thereby provides the benefits of solar power to a broader range of Massachusetts energy consumers. These two tools- net metering and virtual net metering- maximize the potential of solar to grow the Massachusetts economy by creating jobs and encouraging private sector investment in clean, local power sources.

Unfortunately, Massachusetts “caps” the amount of solar that is eligible for net metering. As these caps are hit, new solar projects cannot earn credit for excess power, preventing solar projects from being financially viable. In the legislative session ending in 2016, MA raised the net metering cap slightly (by 3%) and reduced the compensation rate (net metering rate) for some classes of customers: those who share the benefit of a solar array that is not on their own roof (for example, low-income customers who rent apartments, or people whose roofs are not suitable for solar panels).

These policy decisions are having adverse effects on both our communities and the solar industry by making it much less feasible (or impossible) to build ‘community-shared’ solar arrays, arrays specifically for low-income communities, or municipal arrays with the solar electricity shared with low-income residents. For example, following cuts to net metering, two Boston churches were forced to reduce the scale of their projects, which ultimately prevented them from delivering utility bill benefits to neighborhood residents.

Furthermore, new caps on solar energy have already been reached in half of MA communities, thus reining in job growth that relies on this local renewable energy technology, and limiting the use of this abundant clean energy resource.

## **150 Member Organizations of MPF Advocate the Following:**

### **In the Short Term:**

- 1. Increase the net metering cap by at least 5%**, to allow solar development to continue in capped communities. At present, half our communities cannot add more private sector solar arrays, preventing them from saving on electricity costs and reducing their emissions, while the state is losing jobs and tax revenue.
- 2. Restore retail net metering rates** (‘full value’) to solar arrays that primarily serve low-moderate income residents, or groups of residents including at least 40% who are low-income.
- 3. Examine Reforms to the Solar Renewable Energy Credit\* program** currently under consideration by the Dept of Energy Resources to assure that they support access to solar energy benefits by low-moderate income communities, including renters and other solar users who cannot put solar on their roof.

### **In the Long Term:**

- 4. Eliminate the solar net metering cap entirely** to give solar businesses the long-term assurance needed to maintain and grow their workforce, providing dependable jobs and tax revenue. This will allow unfettered use of a free, renewable energy source and numerous benefits to our communities and state.
- 5. Initiate a transparent process to study the actual costs and benefits of solar to guide long-term policy.** Inaccurate and misleading claims of the utility industry about the cost of solar need to be independently evaluated, and considerable benefits of solar must be factored into the equation. Prior analyses have shown actual benefits of solar outweigh its costs, by eliminating the need for more power plants, reducing pollution from burning fossil fuels and offering protection from unpredictable fluctuation in the price of fossil fuels.

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\*Solar Renewable Energy Credits provide cash benefits to solar owners who sell their credits on a special market administered by the Department of Energy Resources