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By Adam Braillard - The Pulse of Massachusetts Solar Incentives

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On August 2, 2011, the Mass. Department of Energy Resources (DOER), proposed a set schedule for the Alternative Compliance Payment (ACP) of the Mass. Solar Renewable Energy Certificate (SREC) program. The change would maintain the current ACP of \$550 per MWh generated through 2013, and then decrease it by 5% each following year through 2021. The goal is to provide more certainty for future SREC pricing and encourage project financing and negotiations for long-term SREC contracts.

On July 22, 2011, the Mass. Department of Public Utilities (DPU) announced a draft order amending the net metering provisions of G.L. c. 164, Sec. 138 and 139 (Order). The Order, in part, distinguishes between private and municipality or other governmental entity net metering facilities. The Order also increases the investor owned utilities' (IOU's) net metering capacity requirements to 3% of the IOU's historic peak load (2% for municipality or other governmental entity net metering facilities, and 1% for private net metering facilities).

Mass. Senate Bill 1664 is currently pending before the Senate's Joint Telecommunications, Utilities and Energy Committee. The Bill, in part, amends G.L. c. 164, Sec. 139 by further increasing the net metering capacity to be "equivalent with the aggregate capacity of the SREC market."

During the upcoming months, Mass. lawmakers and regulators will be reviewing and acting upon these proposed incentive changes, which, if decided in the light most favorable to the stakeholders, should allow the Mass. solar photovoltaic market to continue to flourish.

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