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## **By Adam Braillard - Massachusetts renewable energy incentives in 2012**

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Regardless of where the Treasury Department lands with respect to the Section 1603 Federal Treasury Grant (the 1603 Grant, in lieu of the Investment Tax Credit), there will be significant renewable energy incentive changes in Massachusetts in 2012.

Next year will be a maturing one for the Massachusetts Solar Renewable Energy Credit (SREC) market as well as a transforming year for the Massachusetts Net Metering Program (net metering). While there has been a significant amount of activity in solar and wind development statewide, the number of facilities actually placed into service in 2011 was lower than expected compared to the number of projects in the Massachusetts investor owned utility (IOU) interconnection application queues.

As a result, 2011 SRECs are trading above \$500/SREC (with the latest spot-market trade of \$535/SREC), and renewable energy projects can still qualify for net metering. However, with IOUs potentially reaching their net metering thresholds, coupled with the Massachusetts Department of Public Utilities (DPU) preparing to amend net metering regulations, 2012 promises to be a dynamic year, and all eyes will be watching the growing number of projects being placed into service.

Remember, that even if the 1603 Grant is not extended, and your project is eligible to receive the grant, (you satisfied the "construction start" and/or "safe harbor" requirements), you must still submit a preliminary application to the Treasury Department by October 2012.

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