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High demand for Massachusetts' new SMART Solar Program - by Craig Huntley

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Craig Huntley,
Solect Energy

Over the last 12 months we have written several articles for NEREJ about Massachusetts' new solar incentive program known as SMART. After much anticipation, the program opened for applications on November 26th. Although most people expected a robust number of applications, the flood of new projects was perhaps greater than expected and is strong evidence of the popularity of solar in the Bay State.

Like many, we are excited about the SMART program because of the benefits it brings for building owners and real estate developers. Although effective, the previous SREC program presented several challenges for the real estate industry that are solved by the SMART program. Perhaps most importantly, SMART drops the requirement to match a solar rooftop system to a building's energy consumption. This means building owners won't need to sell the power to their tenants, and instead can receive a fixed rate for the solar power which is sold directly to their utility for a 20 year period. This simplified process also makes it much easier to finance projects.

SMART Program Capacity Updates from Eversource/PowerClerk application status website.
<https://masmartsolareversource.powerclerk.com/MvcAccount/Login>

With over 2,500 submitted applications, it's clear that there was pent-up demand resulting in certain parts of the program reaching capacity limits in the first week. The SMART program is divided into 8 blocks of approximately 200 megawatts (MWs) of potential solar capacity. As each block gets filled, the incentive value declines. Each utility (National Grid, Eversource, etc.) is allocated a number of blocks for both large and small-scale projects. Small projects are under 25 kW and are for residential and light commercial properties, and large projects are for everything over 25 kW. (See

Chart)

For example, based on the size and number of applications, for large projects in Eversource West territory it appears the blocks have been filled. National Grid territory is already into block 7 of 8 for large projects. Part of the reason for this is that there is more open space in these territories so the blocks have been filled by larger “utility scale” projects. One piece of good news is that the Eversource East territory, essentially greater Boston, is only into block 1 for large projects. This means there remains significant capacity for rooftop and solar canopy opportunities for businesses in eastern Massachusetts. However, building owners should keep in mind that these blocks will continue to fill up quickly, and the longer you wait the lower the incentive will be, or even worse - the incentives could be gone!

Lastly, developers and building owners should also remember that the SMART program provides increased compensation for rooftop systems, energy storage, low income housing and solar canopies. This gives real estate owners a greater ability to increase resilience and lower demand charges with storage, or protect your parking lot with solar canopies. It is clear that the SMART program offers many advantages beyond the old SREC program. However, early movers will have an advantage, so if you have real estate assets in Eversource East territory, it's worth the time to see if your property is a good candidate for solar. A qualified commercial solar provider will be able to quickly and easily assess whether a solar project is a smart investment for your business.

Craig Huntley is co-founder and CDO at Solect Energy, Hopkinton, Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540