

**Solar Energy Industries Association – SMART Hearing
Testimony of David Gahl, Senior Director of State Affairs
May 22, 2020**

Preamble

Good morning. I'm David Gahl, from the Solar Energy Industries Association (SEIA).

SEIA appreciates the expansion of the SMART program to 3,200 MW and we are working on filing joint industry comments highlighting the major issues that need reconsideration.

While the SMART regulations have a number of positive provisions, several provisions will result in significant harm to specific sectors of the solar industry & should be revisited.

I will limit my remarks to two issues: 1) the economic harm caused by the new land use restrictions; and 2) concerns about a potential delay in the issuance of Statements of Qualification (SoQs).

But our final joint comments will address many of the issues raised by my colleagues today.

Introduction: COVID-19 As Backdrop

As you finalize these regulations, it is important to keep in mind the economic reality facing the solar industry at this moment.

Permitting challenges, supply chain delays, tightening of tax equity markets, and reduced homeowner/community solar subscriber demand, are all placing tremendous pressure on the industry.

Through June of 2020, SEIA projects the Massachusetts solar industry will employ only **3,921 people, rather than the 8,205** that was originally forecasted – a loss of more than 4,000 jobs.

As a result, the final SMART regulations should be looked at through the lens of encouraging economic recovery & keeping people working.

However, SEIA argues some provisions in the new regulations will have the opposite effect.

New Land Use Restrictions

DOER's regulations add three new GIS layers - "Priority Habitat," "Core Habitat" and "Critical Natural Landscape" - to the **ineligible** land use category.

These land use provisions affect a significant number of projects that are (1) in late-stage development, meaning millions of dollars have already been invested; or (2) planned for future development.

Based on preliminary analyses, CCSA and SEIA have identified at least 477 MW worth projects that would not move forward, resulting in more than 1,500 jobs lost, and putting more than **\$731 million** at risk – dollars that would be invested in the Massachusetts economy.

We believe this is a conservative estimate, based on limited reporting from member companies.

Recommendation: We encourage DOER to reconsider the land use restrictions, and in particular remove the Critical Natural Landscapes Layer from the list of ineligible land types.

Potential Delay in Statements of Qualification

As we understand it, DOER intends to only issue SoQ's when MA Department of Public Utilities has approved revised tariffs expanding the program.

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This delay would exacerbate the state’s economic problems and every effort should be made to expedite the issuance of SoQs.

Recommendation: Given the fragile state of the industry and the urgent need to avoid further job loss, we request that DOER:

- Find a way to issue SoQs immediately, such as including a statement on the conditional nature of this approval until a formal Order from the DPU;
- Involves solar industry stakeholders in the tariff preparation process as soon as possible; and
- Advocates for a “fast track” decision at the DPU on the tariff revisions.

Thank you for your opportunity to testify, we look forward to submitting written comments.

/s/

David Gahl
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Solar Energy Industries Association