

City of Newton, Massachusetts Office of the Mayor

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Honorable Benjamin Downing State House, Room 413F Boston, MA 02133

Honorable Bradley H. Jones State House, Room 124 Boston, MA 02133

Honorable Brian S. Dempsey State House, Room 243 Boston, MA 02133

Honorable Bruce Tarr State House, Room 308 Boston, MA 02133

Honorable Marc Pacheco State House, Room 312B Boston, MA 02133

Honorable Thomas A. Golden State House, Room 473B Boston, MA 02133

March 14, 2016

Dear Conference Committee Members,

The undersigned mayors strongly urge you to reject those provisions of the energy bills now before you that would establish a lower rate for net metering credits that would be far less beneficial for solar projects. Such a significant reduction - from the retail to the wholesale rate - would reduce the cost-effectiveness of municipal solar projects and would be likely to discourage municipalities from creating solar projects in the future.

The increase in solar development over the past decade has been a great benefit to the Commonwealth's cities and towns. For example, with reasonable and fair reimbursement rates from the utilities, Newton has been able to develop half a megawatt of solar power on school rooftops and reduce its overall energy costs as a result. Relying on those rates, we are far along

1000 Commonwealth Avenue Newton, Massachusetts 02459

towards an additional three megawatts of solar energy -- enough to power 450 homes -- scheduled to come on line by the end of 2016.

In addition to reducing air pollution and lowering our carbon footprint, Newton's new solar projects are predicted to generate about \$4 million in cost savings for residents over the next two decades. If subject to the significant rate reduction that has been proposed, however, we would lose most, if not all, of those savings. Many cities and towns would suffer similar losses on their projects.

If the changes proposed by H.3854 and S.2501 go into effect, some solar projects in our communities will not be completed and others will never get started. This will slow local economic development and cost jobs statewide. When Nevada passed similar rate changes, solar development slowed and solar developers left the state, taking an estimated 1200 clean energy jobs along with them.

The proposed rate change also creates a pernicious double standard, valuing the power that utilities sell to customers at retail, while providing a much lower rate of compensation for locally generated solar power that goes back to the grid. That is unfair to taxpayers, ratepayers, municipalities and the environment, and will make it very hard for any mayor to propose new solar developments.

That gets to the heart of the matter. These bills will significantly impede the future development of solar power in Massachusetts.

That would be a big setback, not only for the environment and for the Commonwealth, but also for our businesses and residents. Newton has a community solar share program on the drawing board for 2017 that will enable low-income residents and those with homes that are not suited for solar power to share in the savings from municipal solar projects. That project, and dozens if not hundreds of municipal solar installations around the state, will be in serious jeopardy if the bills pass in their current form.

Solar power increases the triple bottom line: it's a win for the economy, for the environment and for our communities. As mayors, we have seen how it leads to lower energy bills, less air pollution and more local jobs. That's why the Massachusetts Municipal Association opposes these rate changes, as does the Environmental League of Massachusetts, Environment Massachusetts, the Massachusetts Chapter of the Sierra Club, Clean Water Action, and other environmental advocates.

Massachusetts has been a national leader on energy - ranked number one in the nation in energy efficiency by the American Council for an Energy-Efficient Economy. We are also leading the way on solar power. The Commonwealth's cities and towns have been at the vanguard of this transformation, but the proposed legislation threatens to put us on the sidelines.

We ask the committee to produce a final bill that allows communities to continue to host solar facilities on municipal property and to continue to make forward progress towards a clean energy future. We therefore urge you to preserve the beneficial reimbursement rates currently in place for municipal solar development projects.

Sincerely,

Mayor Setti D. Warren

Newton, MA

List of co-signing Mayors and Town Managers

Mayor Richard Cohen, Agawam

Mayor Kevin Dumas, Attleboro

Mayor William Carpenter, Brockton

Town Administrator Melvin Kleckner, Brookline

City Manager Richard Rossi, Cambridge

Mayor Denise Simmons, Cambridge

City Manager Tom Ambrosino, Chelsea

Mayor Karen Cadieux, Easthampton

Mayor Carlo DeMaria, Everett

Mayor Jasiel Correia II, Fall River

Mayor Stephen DiNatale, Fitchburg

Mayor Mark Hawke, Gardner

Mayor Mayor Sefatia Romeo Theken, Gloucester

Mayor William Martin, Greenfield

Mayor Edward Kennedy, Lowell

Mayor Judith Flanagan Kennedy, Lynn

Mayor Gary Christenson, Malden

Mayor Stephanie Muccini Burke, Medford

Mayor Robert Dolan, Melrose

Mayor Stephen Zanni, Methuen

Mayor Richard Alcombright, North Adams

Mayor David Narkewicz, Northampton

Mayor Ted Bettencourt, Peabody

Mayor Brian Arrigo, Revere

Mayor Kimberly Driscoll, Salem

Mayor Dominic Sarno, Springfield

Mayor Brian Sullivan, Westfield

Mayor Robert Hedlund, Weymouth

Town Manager James McKenna, Winthrop

Mayor Scott Galvin, Woburn

Mayor Joseph Petty, Worcester

Note: Mayor James Florentini of Haverhill and Mayor Jon Mitchell of New Bedford are writing separately.

cc: Speaker Robert DeLeo State House, Room 356 Boston, MA 02133

> Senate President Stanley Rosenberg State House, Room 322 Boston, MA 02133

Governor Charlie Baker Commonwealth of Massachusetts Office of the Governor State House Boston, MA 02133