

SMART MA Solar Incentive Program

SOLAR MASSACHUSETTS RENEWABLE TARGET (SMART)

SMART encourages businesses and public entities to install solar energy projects by offering a fixed monthly cash payment for 20 years. It is a 3200 megawatt (MW) declining block incentive program, and each project must be interconnected by one of the three utility companies: Eversource, National Grid, and Unitil. Changes in SMART increased benefits for public entities and incentivized commercial property owners to invest in solar energy, with additional compensation provided for pairing solar with energy storage.

As a declining block program, SMART is designed to offer greater incentive values for the "early adopters". The 3200 MW development target is divided among the utilities based on their percentage of load served. The allocation for each utility is in blocks, and each block has a predetermined MW capacity. When projects qualify for SMART, they reduce the capacity available within a block until that block is filled. The incentive value of the next block declines by 4%. Block incentive values continue to decline until the overall block capacity for each utility has been met.

PROGRAM "ADDERS"

These extra incentive values that provide additional benefits to the state or community are added to the base tariff rate for eligible projects. The two types of adders are location-based and offtakers. A project may include, at most, one from each type of adder.

Location-based Offtakers

- | | |
|----------------|-------------------------------------|
| • Canopies | • Low-income property owner |
| • Landfill | • Low-income Community Shared Solar |
| • Floating | • Community Shared Solar |
| • Brownfield | • Public entity |
| • Agricultural | • Storage |

ENERGY STORAGE INCENTIVES

SMART offers an incentive for energy storage since these systems lower overall energy consumption from the grid and reduce demand when the grid is challenged.

For a commercial customer, energy storage reduces peak demand by flattening the load, resulting in lower demand charges. This is especially important in Massachusetts since the state has some of the highest demand charges in the country.

Make the SMART decision to
control your energy costs.



SMART OFFERS TWO INSTALLATION OPTIONS

BEHIND THE METER SYSTEM

A Behind the Meter solar array is installed to reduce your monthly utility bill. The more solar energy the system generates, the more savings received each month. The SMART incentives are paid in addition to the energy savings at the meter.

Haverill City Hall: Haverill, MA



STAND ALONE SYSTEM

Stand Alone systems are designed to send 100% of the system output to your local utility in exchange for a fixed tariff payment each month for 20 years. The tariff payment is comprised of both energy and incentive components. A stand-alone system can be installed on a roof, as a ground mount, or as a solar parking canopy.

Brophy Elementary School: Framingham, MA



BENEFITS OF PARTICIPATING IN SMART

- Monthly fixed tariff incentive payment guaranteed for 20 years
- Easier financing with investment quality credit because of the fixed 20-year tariff rate
- Improvements to bottom line from avoided energy spend for 25+ years (system lifetime)
- Multiple ways to participate: use the power on-site or sell it to the grid; earn rental income by leasing space for a solar array; or become a solar offtaker through a Power Purchase Agreement (PPA)
- Generous incentive "adders" including rooftop systems, solar canopies, energy storage systems, and public entity offtakers
- Control peak demand charges with storage
- Help Massachusetts reach its climate goals