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August 19, 2026

VIA Email

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RE: City of Boston, D.P.U. 19-65-A

Dear Attorney Zachas and Attorney Kiernan:

On July 22, 2020, the Department of Public Utilities ("Department") approved the City of Boston's ("City") municipal aggregation program ("Aggregation Program"). City of Boston Municipal Aggregation Plan, D.P.U. 19-65 (2020). On May 20, 2026, the City filed with the Department a petition ("Petition") for approval of a low-income community shared solar program ("LICSS Program") that it proposes to implement as part of its Aggregation Program. On July 28, 2026, the City made a supplemental filing ("July 28 Filing"), and on August 13, 2026, the City made a second supplemental filing ("August 13 Filing"). The City filed its proposed LICSS Program pursuant to the Department's Municipal Aggregation Guidelines, Section XI, established in Municipal Aggregation Guidelines, D.P.U. 23-67-C (2025).

LICSS Programs are implemented pursuant to the Solar Massachusetts Renewable Target ("SMART") regulations promulgated by the Department of Energy Resources ("DOER") codified at 225 CMR 20.00 ("SMART 2.0") and 225 CMR 28.00 ("SMART 3.0"). In addition, DOER established guidelines that apply to STGUs that seek to participate in LICSS Programs implemented by municipal aggregators under SMART 2.0 ("SMART 2.0 Guidelines" (Rev. February 27, 2025))[1] and under SMART 3.0 ("SMART 3.0 Guidelines").[2]

SMART 3.0 differs from SMART 2.0 in the calculation of the funds that generation units participating in a municipal aggregation community shared solar program must allocate to low-income customers. For SMART 2.0, the minimum required allocation is 40 percent of the generation unit's SMART compensation rate adder.[3] SMART 2.0 Guidelines, Section 2(c)(ii). For SMART 3.0, the minimum required allocation is 30 percent of the average annual value of the generation unit's SMART alternative on-bill credit ("AOBC").[4] 225 CMR 28.07(5)(c)1.b.i.

Section XI.B of the Municipal Aggregation Guidelines requires that a municipal aggregator that seeks Department approval to implement an LICSS Program submit documentation from DOER that the LICSS Program meets the requirements of the SMART regulations and the LICSS Guidelines.

The City's Petition identifies 23 generation units that will participate in the LICSS Program.[5] SMART 2.0 applies to five of the generation units, and SMART 3.0 applies to 18 of the generation units (July 28 Filing, Att. 3-2, 3-3). Table 1 provides information about the LICSS Program participants and savings (July 28 Filing, Att. 3-1).[6]

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1 Available at: "Guideline Regarding Alternative Programs for Community Shared Solar Tariff Generation Units and Low Income Community Shared Solar Tariff Generation Units" (last visited August 12, 2026).

2 Available at: https://www.mass.gov/doc/guideline-regarding-community-shared-solar-tariff-generation-units-0/download (last visited August 12, 2026).

3 Generation units participating in LICSS Programs are eligible to receive SMART funds, which comprise two components: base compensation rates and compensation rate adders. See 225 CMR 20.07.

4 The SMART 3.0 Guidelines specify that the average AOBC value of the generation unit shall be equal to the average of: (1) the six-month basic service fixed-rate kilowatt-hour ("kWh") charge as of the date of the STGU's application to DOER for a statement of qualification for the rate class and distribution company of the STGU; and (2) the basic service fixed-rate kWh charge in the six-month term prior to the date of the STGU's statement-of-qualification application. SMART 3.0 Guidelines, Section 3(b).

5 All the generation units are new units that are expected to begin commercial operation between August 2026 and December 2027 (July 28 Filing, Att. 4).

6 For information related to each generation unit's nameplate capacity, projected annual energy output, projected annual energy output participating in the Program, projected

Table 1 – LICSS Program Participation Information

Number of Participants	21,248
Projected Annual Usage (kWh)	110,198,683
Projected Participant Bill Savings (cents per kWh)	4.66
Projected Monthly Savings per Average Participant	$20.15

The Petition includes letters from DOER ("DOER Letters") representing that, on January 1, 2026, and further amended on April 8, 2026, NextGrid Holdings LLC,[7] requested a pre-determination by DOER of the solar projects' eligibility as low-income community shared solar tariff generation units ("LICSSTGUs") under 225 CMR 20.00 and 28.00, to participate in the City's Aggregation Program (Petition, Att. 1, at 1, 3). DOER represents that it has reviewed the submitted documentation and concluded that the generation units likely meet the criteria set forth in 225 CMR 20.00 and 28.00 to be eligible as LICSSTGUs (Petition, Att. 1, at 2-4).[8]

Based on its review of the City's Petition, the Department finds that:

1. The DOER Letters provide documentation that the City's proposed LICSS Program meets the requirements of the SMART 3.0 regulations and the LICSS Guidelines. Guidelines, Section XI.B.

2. The City's proposed LICSS Program complies with the information requirements set forth in Section XI.C of the Municipal Aggregation Guidelines.

annual SMART adder funds paid to the generation unit, and projected annual SMART adder funds paid to the Program, see the July 28 Filing, Att. 3-2 and 3-3.

7 NextGrid is the owner/authorized agent for all of the generation units (July 28 Filing, Att. 3-2 and 3-3).

8 DOER notes that its pre-determination of LICSSTGU eligibility is not a final agency decision, and that it will make a final determination on the eligibility of each individual unit's status at the time it issues a Statement of Qualification under 225 CMR 20.06 and 28.06 (Petition, Att. 1 at 2, 4).

Accordingly, the City of Boston's proposal to implement an LICSS Program as part of its Aggregation Program, is approved, subject to DOER issuing a Statement of Qualification to the generation unit pursuant to 225 CMR 28.06, and subject to the City's continued compliance with the annual reporting requirements to the Department under Section XI.D of the Municipal Aggregation Guidelines.

By Order of the Department,

Jeremy C. McDiarmid, Chair

Staci Rubin, Commissioner

Elizabeth A. Anderson, Commissioner