

# What You Need to Know about Solar for Your Facility



## What are the benefits of solar?

The main benefits of generating solar power at your facility are reducing your electricity costs, using clean energy and reducing greenhouse gas emissions.

## What's the first thing you should do if you're thinking about using solar?

Regardless of whether you are a business, institution or non-profit, you'll want to take a holistic look at energy opportunities at your facility, including energy efficiency, as part of your solar project. Your local utility and the CT Green Bank are working closely to provide the full range of resources available to help identify clean energy opportunities at your facility. Start by calling the **CT Green Bank (860-258-7825)** to let them know you are interested in having your facility evaluated for energy efficiency and solar. The CT Green Bank and the utility companies will partner with each other to make sure all of your needs are addressed, including connecting you with trusted contractors if needed.

## How do I choose a contractor?

When you contact the CT Green Bank and utilities they can provide you with a list of contractors that are knowledgeable and experienced in both energy efficiency and solar projects. Contact multiple contractors to do a feasibility assessment of your building and site for both solar and/or energy efficiency. Based on this information you can compare value, panel quality and pricing to choose the contractor that's best for your project. You should request a number of references from the contractor to hear from their solar and EE customers.

In developing your project the contractor will provide the capacity of the system in kW, expected energy production and cost savings, system layout and design, and total installed cost and financing options, including tax credits if applicable. C-Pace also has a third party technical advisor that can help evaluate the project to ensure the quality of the proposal.

Depending on the size and complexity of your project you may want to consider working with a third party consultant to create an RFP/solicitation, select a vendor and ensure quality construction.

## What types of financing are available for solar?

There are several options to finance solar, including:

- Self-financing the system with cash so that you own it.
- Using a solar power purchase agreement (PPA) where the system is owned by a third-party. The CT Green Bank pre-screens installers, and owns, maintains and insures the system for the full 20 years. You pay a variable amount each month based on the amount of electricity the installed system produces.
- Leasing the system from a third-party and making a regular lease payment each month.
- Using CT Green Bank CPACE programs that provide loans for clean energy and efficiency upgrades that are paid back through assessments on property tax bills. It's designed so the energy savings cover the cost of the loan.

## What type of pay back can I expect from a solar project and how do I know it is accurate?

You can use the following questions to guide your inquiry about the payback from a solar project. The CT Green Bank may also be able to assist in the evaluation of your options. If you are using a third party consultant these are questions they can answer. You can also get references from the contractor and ask their solar customers about these topics.

- How should a customer think about projected future energy costs in relation to investing in solar?
- What characteristics of a solar proposal are most important for determining if it is feasible and a good fit for a customer's facility?
- What happens if actual energy savings are more or less than projected? Who benefits or pays in such situations?

## What are ZRECs?

ZRECs are renewable energy certificates (RECs) produced by qualifying zero-emission generators, like solar project owners. Under the ZREC program, Eversource and UI enter into 15 year contracts to provide long-term compensation to owners for clean electricity their project generates. ZRECs are a significant part of the revenues from a solar array in Connecticut. A ZREC is equivalent to 1 megawatt hour of solar energy produced and is purchased from the solar system owner by the electric utility (either UI or Eversource). Projects must meet eligibility requirements, and are selected in different ways, depending on the size of the project and the type of generation. For more information, see the LREC/ZREC FAQs: [https://www.eversource.com/Content/docs/default-source/ct-pdfs/lrec\\_zrec\\_ga.pdf?sfvrsn=8](https://www.eversource.com/Content/docs/default-source/ct-pdfs/lrec_zrec_ga.pdf?sfvrsn=8), the UI LREC/ZREC program information page at [www.uinet.com/powerprocurement](http://www.uinet.com/powerprocurement), or consult with an experienced solar contractor or the CT Green Bank.

## What's the process to interconnect a solar system from a facility to the electric grid? Any fees?

Your facility becomes a generator of electricity once you have a solar installation. In order to connect your system to the grid, the solar contractor will administer what's called an interconnection agreement between your facility and the utility company that will include any paperwork and fees associated with it.

## What opportunities and deadlines do I need to be aware of?

- Federal Investment Tax Credit: a tax credit of 30% of the installed cost will be available until the end of 2019. After that, the credit will incrementally sunset: 26% in 2020, 22% in 2021, and 10% thereafter.
- You need to have a tax bill equal or greater to the credit to take advantage of it, or find a solar developer that can work with you through a mechanism like a Power Purchase Agreement.
- ZREC (Zero Emissions Renewable Energy Credit) Auction. The utilities enter into these agreements with customers based on the winners of an auction that happens once per year in June. In the case of a small solar installation, bids may be accepted on a rolling basis depending on demand.

**For more information, call CT Green Bank (860-258-7825) or 1-877 WISE USE (877-947-3873)**

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