

Agenda

Nov. 3, 7, 10, 11, 12, 13, 14

- How did we get here?
 - Energy Advisory Committee, first appointed 2008
 - Efficiency of school and town buildings
 - STM Nov. 2010, vote to be Green Community
 - Solarize Mass (13 installs prior, 88 after, ~4.5%)
- Community Solar Garden
 - Solar for the rest of us
- Financials, tax considerations
- Organization structure
- Issues and risks, non-issues

Harvard Community Solar Garden

Solar for the rest of us

- 50% (or more) sites unsuitable
 - Orientation
 - Shade
 - Structure
 - Conservation, Historical
- Harvard CSG
 - First phase, 200 kW
 - Pricing similar to Solarize Tier 4 - \$5.40 per watt, same as tier 4 ground mount
 - Serving up to 35 additional residents and/or businesses
 - Begin construction 2011, utilize ARRA Section 1603 grant
 - Expandable to multiple sites
 - Possibility to extend to support municipal needs
 - Possibility to extend to support non-profits
 - Provide participants maximum benefit of available grants and tax credits

Issues and Risks

- Net metering capped at 1% of a utility's historical peak load.
 - Including current applications, all MA utilities are at or above the limit.
 - Pending legislation to raise the limits.
- Interconnection studies can take a year or more to be completed.
 - Even with available “expedited” procedures, this can greatly delay getting from ready to built.
- Neighborhood Net Metering doesn't provide full retail credit (distribution missing)
 - Class II Net Metering Facility (>60 kW <1 MW) provides full retail credit, including distribution

Non-Issues

- Local zoning may seem to be a barrier, but MGL 40A has a very helpful provision:
 - “No zoning ordinance or by-law shall prohibit or unreasonably regulate the installation of solar energy systems or the building of structures that facilitate the collection of solar energy, except where necessary to protect the public health, safety or welfare”
- Comm Solar grants only available for on-site installs
 - MassCEC has agreed to provide base grant and MA content grant to Harvard CSG participants

Community Solar Garden

Financial, Legal, Tax Considerations

- Ownership
 - LLC (taxed as corporation or partnership)
 - Registered security?
- Grants, Tax Credits, income
 - Kept in LLC
 - Passed to owners
- SREC income
 - Taxable?
 - Taxed to LLC, or passed to owners
- Depreciation?

CSG - Depreciation

Gross cost, 200 kW @\$5.40/watt	\$ 1,080,000	
Less Comm Solar grant @\$0.85/watt	\$ (127,500)	\$4,250 for 30 customers
Less Federal Tax Credit (or 1603 grant)	\$ (285,750)	30% after grants
Depreciable basis	\$ 809,625	Basis reduced by 50% of 1603 grant
Year 1 income	(46,200)	
Year 2 income	(153,372)	
Year 3 income	(148,373)	
Year 4 income	(143,704)	
Year 5 income	(122,551)	
Year 6 income	(139,351)	
Basis after 6 years	\$ 56,073	Depreciation fully utilized in 7th year

Community Solar Garden Resources

- MassCEC.com/solarizemass
- Sites.google.com/site/solargardenharvard
- HarvardPress.net/Solar/
 - [HarvardSolar201Combined.pdf](#)
 - [NREL_DOE_Community_Solar_Guide.pdf](#)
 - [CSG_LLC_Proposal_Rev1.pdf](#)
 - [Net_Metering_Tariff.pdf](#)
 - [SREC_Futures.pdf](#)
 - [CSG_Fact_Sheet.pdf](#)
 - [CSGSurveySummary.pdf](#)
 - [CSG_Application.pdf](#)