

What is Community Shared Solar?

A collection of individual PV Solar systems, serving individual residential and small business properties

In its simplest form, Community Shared Solar can happen when one owner has property well-suited for solar (no shade, level or south-sloping, no structural restrictions) and another is unable to install solar because of one or more site limitations. The well-sited property owner grants an easement, and allows the restricted owner to construct a system, with output net metered to the restricted site.

If both properties had been suitable, each would have installed on-site, and each would enjoy exemption from increased tax assessment for 20 years, per MGL 59, Section 5, forty-fifth, which makes exempt from taxation “Any solar or wind powered system or device which is being utilized as a primary or auxiliary power system for the purpose of heating or otherwise supplying the energy needs of property taxable under this chapter; provided, however, that the exemption under this clause shall be allowed only for a period of twenty years from the date of the installation of such system or device”.

In that the system installed on the easement meets the criteria, it should likewise be exempt, on the same basis as if it had been installed on-site.

If several property owners with the same restrictions participated, a system could be constructed of a size suitable to meeting all of their needs, and a Schedule Z could allocate percentages to each according to their proportional ownership. Either individual easements could be executed, or a single easement could be executed authorizing multiple owners to construct their system (or their portion of a shared system), and have their share of production net metered to their properties.

Such a shared system would meet the criteria, and should be exempt, on the same basis as if the individual portions had been installed on-site on the properties served. A system such as Harvard Solar Garden I, LLC is an example of such a shared system, with all output net metered to the properties of the LLC share owners. No electricity is sold to the grid, or to any other parties. The LLC is not a commercial venture, and should not be regulated or taxed as such.