



SOLAR IN CT

COMMUNITY SOLAR

How Is It Done in CT and Elsewhere?



PACEcleanenergy.org



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WHAT IS COMMUNITY SOLAR?

Community solar is a program or project that provides access to the benefits of solar to those who may otherwise not be able to install solar.

Community solar helps overcome potential barriers. Solar installation may not be an option for renters or condo owners due to rules or permitting regulations. Other owners may have properties that are not suited to solar due to roof shading, building orientation, or other constraints. Additionally, some homeowners may not have the financial means for such a large upfront investment or even the tax liability to take advantage of tax credits.

Community solar allows all people to access the financial savings that solar brings and, at the same time, support clean, renewable energy.



Community Solar Benefits the Local Community

1. Local Economic Development
2. Solar Designed to Fit Community Needs
3. Environmental Benefits
4. Enhanced Community Resiliency
5. Helps to Address Equity Issues
6. Opportunities for Education and Awareness

HOW DOES COMMUNITY SOLAR WORK IN CONNECTICUT?



CT offers a type of community solar through the **Shared Clean Energy Facility (SCEF) program**. This utility-administered incentive program requires energy developers to bid in a competitive process.

1. Eversource and UI Issue a Request for Proposal (RFP)

Annually, the utilities issue an RFP inviting developers to submit a clean energy project to the SCEF auction. Projects that are selected earn revenue by selling Renewable Energy Credits (RECs) and energy to the utilities. For a project to be considered, the resulting electricity must be derived from a Class I renewable energy source (such as solar, wind, fuel cell, geothermal, or biogas) and range in size from 100kW to 5MW.

2. Developers Submit Bids

Developers submit their proposed projects including project description, location, technology details, capacity, and financial information. The SCEF competitive bidding process includes bid preferences (for ranking purposes only) for certain types of projects, including those sited on brownfields or landfills and for solar canopies.

3. Projects Are Selected

Proposals meeting the necessary requirements are reviewed and ranked based on cost per MW and preferences. Projects are selected until the legislatively-mandated program caps are met. From 2020 to 2022, the annual SCEF limit was set at 25MW. From 2023 to 2025, the limit is 50MW.

4. Project Benefits Are Allocated

The tariff (remuneration for the electricity provided to the grid) is set by PURA at a fixed rate for a 20-year term. The utilities automatically assign a portion of the resulting financial benefits (a little over two cents per kW) to customers with low income. Those who do not qualify based on income but are unable to install solar at their home or business may apply for remaining SCEF program slots which are awarded by lottery.

HOW DOES COMMUNITY SOLAR WORK IN OTHER STATES?

There are two basic models when it comes to community solar: **subscription** and **ownership**.

Subscription is the type used in the SCEF program. Participants pay a lower rate for their electricity or receive a portion of the energy credits from the project.

In the ownership model, participants own a share of the project or a certain number of panels and receive the related energy cost savings as bill credits.

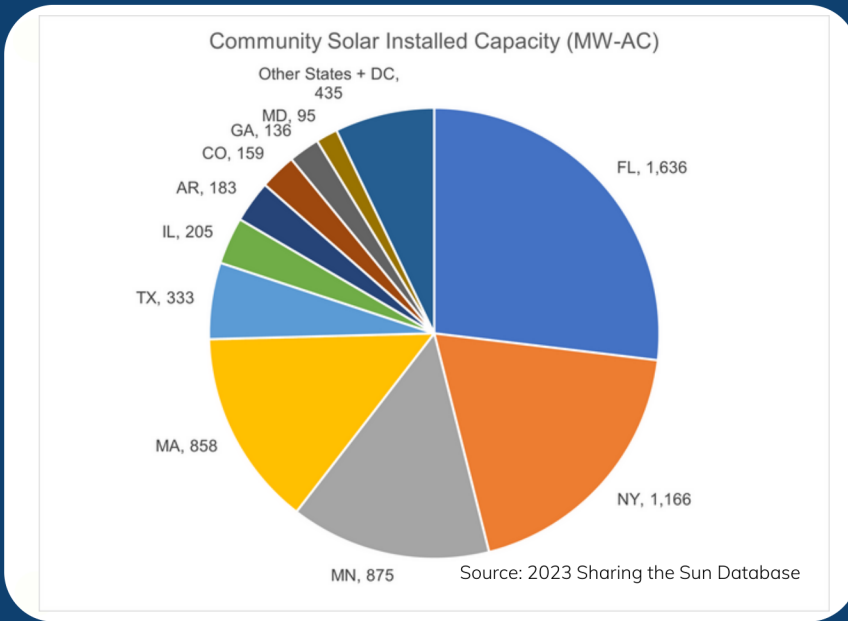
Forty-one states have some community solar. Florida is leading the way with 1.6 GW installed followed by New York with 1.1 GW then Minnesota and Massachusetts.

Massachusetts - The Bay State allows any electricity customer to enroll directly with a community solar provider. MA has an overall cap for solar project incentives but not one specifically for community solar. Special added incentives are available for community solar projects and even greater incentives are possible for projects serving low-income customers.


New York - The Empire State allows anyone to enroll directly in a community solar project as long as the project is in their utility territory and is not full. Projects may be ownership-based or subscription-based. The latter allows participants to take advantage of tax credits. The state also provides access to community solar through Solar for All, an income-eligible program.

HOW DO WE COMPARE?

According to the Sharing the Sun 2023 data, **Connecticut ranks 35th** in the nation for installed community solar capacity, with only a single SCEF project completed since the initial pilot program.



As shown in the above chart, New York has installed over a gigawatt (GW) of community solar and Massachusetts over 800 MW. Even if all of the selected projects for the SCEF program (2020-2025) were completed, Connecticut would still have only a quarter of the community solar that Massachusetts had installed as of December 2022.



WHY DO WE NEED MORE COMMUNITY SOLAR?

As mentioned previously, **community solar benefits individuals and communities**. In addition to those previously mentioned, other advantages include:

- economies of scale, optimization of resources
- subscribers not responsible for upkeep of the system
- soft costs are divided among a greater number of customers

Shared solar is also an important asset to the region as a whole. These systems help to:

- Increase energy independence, reducing reliance on the international fossil fuel market
- Improve grid reliability and resiliency
- Promote clean energy job creation
- Reduce grid stress and the need to build new grid infrastructure
- Even out summer electricity demand thereby reducing load on the grid and cost to consumer related to peak demand charges
- Reduce pollution by decreasing fossil fuel combustion

HOW CAN WE ENCOURAGE COMMUNITY SOLAR?

Connecticut must aim higher. How will we get there?

- Uncap current and future community solar programs. Place community solar under the residential program.
- Target an annual installation goal of no less than 200 MW of community solar connected to the grid
- More strongly incentivize community solar on already disturbed land (rooftops, brownfields, landfills, parking lots, highway edges, etc.) so that it is more advantageous to build in these areas than on undisturbed land
- Encourage community solar projects on apartment buildings and condos
- Improve grid infrastructure and interconnection times
- Create a performance standard for utilities related to installed community solar
- Make community solar programs truly accessible to all with a simple subscription form (while still reserving a certain percentage of slots for customers with low income)
- Subscribe customers in towns where the solar is sited

RESOURCES

[CT SCEF Program](#)

[NREL - Community Solar](#)

[SEIA - Community Solar](#)

For more information,
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