

WHAT IS COMMUNITY SOLAR?

Community solar is a way to provide the benefits of solar to those who may not be able to install panels on their own roofs, such as renters, condo owners, small business owners, and homeowners with roofs that are shaded, in poor condition, or otherwise unsuitable for solar. States have different program structures, but usually a solar developer with a host organization builds a solar array large enough to provide electricity to many customers. Ratepayers participating in a project then receive credits that lower their bills.

CURRENT PROGRAM

Connecticut's community solar is offered through the Shared Clean Energy Facility (SCEF) program, begun in 2020. SCEF is administered by utilities and involves a competitive bidding process by energy developers. Selected projects are funded by utilities purchasing the energy generated. The program is currently capped at 50 MW per year and is due to expire in 2025.

Project Criteria

Proposed projects must generate electricity via a Class I energy source which include solar, wind, fuel cells, geothermal, and biogas, though almost all projects so far have been solar. Projects must be between 100 kilowatts and 5 megawatts. SCEF allows developers to receive additional revenues through bid preferences in order to promote certain public policy goals such as building projects on already disturbed land.

Project and Participant Selection

Proposed projects are chosen based on lowest cost (per kWh). Following project selection, a rate for the delivered energy is set for a 20-year period. A portion of the enrollment slots are assigned to low-income customers. Other customers can apply to the program by entering a lottery.

INVESTING IN THE FUTURE

Connecticut ranks 35th in the nation for installed community solar capacity. Increasing that capacity will benefit individuals and communities by increasing access to green energy.



BENEFITS OF SHARED SOLAR

- ❖ Low and Middle Income (LMI) ratepayers, small businesses, and those who cannot put solar on their roofs can reduce their cost of electricity without any upfront cost. Participants receive a credit of \$0.025/kWh on their bills.
- ❖ Investment in solar reduces reliance on fossil fuel generation, GHG emissions, air pollution, price volatility, and the need for grid investments. It's a program that benefits all ratepayers, not just participants.
- ❖ Local energy projects increase economic development, jobs, and municipal tax revenues.
- ❖ Raising caps will allow CT to take full advantage of generous incentives offered by the Inflation Reduction Act.

How to Encourage Community Solar

- ❖ Substantially increase the current 50 MW per year cap on SCEF projects to at least 100-200 MW, or remove caps entirely as does Minnesota, one of the leading community solar states.
- ❖ Strengthen incentives for community solar projects that are located on already disturbed and disused land, such as rooftops, brownfields, and parking lots.
- ❖ Start incentivizing the pairing of battery storage with community solar projects. In MA, over 40% of community projects take advantage of their storage incentive. Pairing reduces the cost of meeting demand peaks, reduces the need to call on fossil fuel peaker plants, and increases resiliency.
- ❖ Reduce the cost and delays associated with interconnecting solar projects with the distribution grid.
- ❖ Give some level of preference to residents in project host communities (mostly rural or suburban areas) without excluding the many LMI ratepayers who live in urban areas.

MORE INFORMATION

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