

Solarize Hot Water Western Mass

Pricing, Incentive, and Financing Guide



HCG has worked with its selected installer, **Spartan Solar**, to establish transparent, discounted pricing for Solarize Hot Water Western Mass participants. The pricing provided below reflects **base pricing** that Spartan Solar is offering for a solar hot water (SHW) installation. This includes the cost of the solar hot water system (tank, collectors, pumps, controller, etc.) and any permits required to install a system in your town.

Many aspects of a SHW installation are customized based on the needs of your building and your hot water usage. Once Spartan Solar has evaluated your home, a variety of factors may cause the cost of your system to increase. These factors include:

- **Roof conditions.** Steeper (over 37-degree pitch) and taller roofs (over 15 feet) will make an installation more challenging and increase the cost of your system. Your roof may also be aligned in a manner where an awning or tilt racking will be needed to make sure your collectors are optimally positioned for solar generation. Additionally, your roof may need structural reinforcement to support the added weight of your solar collectors.
- **Electrical work.** A typical system will not require any electrical work, but in some cases added costs for an electrician and electrical upgrades may be necessary. If you don't have a suitable electrical outlet within 20 feet of the system, one will need to be installed.
- **Distance.** While Spartan Solar is based in Greenfield, Western Mass is a lot of area for a small, local business to cover! To cover the added travel time, sites over 70 minutes away from Greenfield (i.e. the west/southwestern corner of Berkshire County) will incur an added cost of 5%. However, if you're within 25 minutes of Greenfield, Spartan will discount the cost of your system by 5%!
- **Ground mounted systems** are possible if your roof is not suitable for an installation, although these systems will cost more to install.
- **Tank setup.** The typical system installed by Spartan Solar will use the solar tank to preheat water used by your existing water heater. There are additional costs if you would prefer to replace your existing hot water heater entirely.

Number of panels	Base Price	MassCEC Base Rebate ¹	Initial Out-of-Pocket	Tax Credits ²		Alternative Energy Certificates ³	Final Price
				Federal	State		
2 collectors	\$9,500	\$2,525	\$7,475	\$2,850	\$1,000	~\$1,300	\$1,825
3 collectors	\$10,500	\$3,500	\$7,500	\$3,150	\$1,000	~\$1,900	\$950
4 collectors	\$12,000	\$3,500	\$9,000	\$3,600	\$1,000	~\$2,600	\$1,300

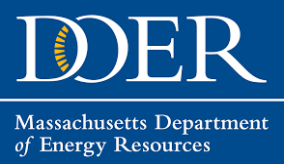
All installations include a 10-year collector warranty, a minimum of 6-year tank warranty, and 2-year workmanship warranty.


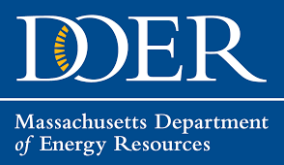

¹ Includes \$500 adder for the cost of data logging. Additionally, this base rebate amount could go up if you meet certain income criteria or already have solar PV on your roof.

² Consult a tax professional to ensure your eligibility for these tax credits.

³ Assumes an optimally-sited system (surface orientation factor and no shading) cost of approx. \$16/MWh and an aggregator fee of 7%. Value of AECs received may increase or decrease based on quarterly auction prices

Incentives and Financing

Program Name	Description	Special Requirements
 <p>0% Interest HEAT Loan</p>	<p>0% interest HEAT Loan of up to \$25,000 over a 7-year term for qualifying homeowners</p>	<p>In addition to qualifying for the loan:</p> <p>If you live in a 1-4 unit building, you will need to have completed a Mass Save home energy assessment. Sign up for a Mass Save home energy assessment through as soon as possible to make sure you'll be able to qualify.</p> <p>If you live in a 5 or more unit condo or apartment complex, you will need to meet the following requirements:</p> <ul style="list-style-type: none"> ● Your unit must be individually metered for electricity and/or gas ● An authorized representative of the building (e.g. building owner, condo board member, property manager) will need to enroll your building for a Mass Save Multifamily energy assessment.
 <p>Clean Heating & Cooling Program:</p>	<p>Up to \$3,500 for residences depending on the number and performance rating of your solar hot water collectors</p> <p>This rebate increases to up to \$4,500 (or more) if you meet certain income-based criteria.</p> <p>See following pages for more information.</p>	<p>If you live in a 1-4 unit building, you will need to have completed a Mass Save home energy assessment within the past 4 years. If you have not, you can complete a free home energy assessment within 6 months of your solar hot water installation. Sign up for a Mass Save home energy assessment as soon as possible to make sure you'll be able to get this rebate.</p> <p>If you live in a 5 or more unit building, you do not need to complete a home energy assessment</p>
 <p>Alternative Energy Certificates</p>	<p>The Commonwealth's Alternative Portfolio Standard awards Alternative Energy Certificates (AECs) to owners of clean heating & cooling technologies. These AECs can be worth around \$15-20 each, determined by the price paid by electric utilities at a public auction held every quarter.</p> <p>The number of certificates you'll receive will be based on three criteria: (1) the performance rating of your solar hot water collectors; (2) the number of collectors installed; and (3) the amount of sun those collectors will receive.</p> <p>After registering your system, you will be awarded AECs equal to 10 years of projected renewable energy generation. Depending on the number of certificates you receive, this might be worth anywhere from \$750 to \$2,000 or more!</p>	<p>We strongly encourage you to contract with an AEC aggregator, who can sell your AECs on your behalf for a small fee, as utilities typically do not purchase AECs from individual homeowners. HCG is one of the only non-profit AEC aggregators in the Commonwealth and will be happy to provide you with AEC aggregation services.</p> <p>If you wish to contract with HCG, just reach out to sustainability@hcg-ma.org once your installation is complete!</p>

 <p>Federal Investment Tax Credit</p>	<p>The Internal Revenue Service (IRS) offers a 30% tax credit based on total installation costs with no maximum amount.</p>	<p>Residents should complete <u>Form 5695</u> and follow the IRS <u>instructions</u>. Tax-exempt non-profit and public organizations are not eligible to receive the tax credit. If the entire credit is not used in one tax year, it can roll over to next</p>
 <p>Massachusetts State Renewable Energy Tax Credit</p>	<p>The Massachusetts Department of Energy Resources administers a 15% state tax credit for installation costs for solar hot water. This credit has a maximum amount of \$1,000.</p>	<p>Only residents are eligible for this tax credit. This credit may be rolled over to the next year if not used in one tax year.</p>
 <p>Property and Sales Tax Exemption</p>	<p>Solar hot water is 100% exempt from the Massachusetts sales tax (6.25%) under MGL 64H.6(dd). Solar hot water is 100% exempt from the Massachusetts property tax for 20 years under M.G.L. ch. 59 § 5 (45, 45A)</p>	<p>For the sales tax exemption, fill out Form ST-12 (Exempt Use Certificate, Section 3) and provide it to your installer. The form can be found here: https://www.mass.gov/files/documents/2017/12/12/dor-sales-use-form-st-12.pdf To learn more about the property tax exemption, please see the Massachusetts Department of Revenue's Information Sheet: http://www.mass.gov/dor/docs/dls/city-town/2012/ctmarch1-2012.pdf</p>

Am I eligible for a larger rebate from the Massachusetts Clean Energy Center?

Base (Level 1)
Rebate

Level 2 Rebate

Level 3 Rebate

To make clean heating and cooling more affordable for Massachusetts residents, MassCEC offers larger rebates for households that earn less than 120% of the state median income (for your household size). This rebate increases if you earn less than 80% of the state median income.

Up to \$3,500 depending on collector rating

Up to \$4,000 depending on collector rating

Up to \$4,500 depending on collector rating

These rebate caps include a \$500 rebate adder to cover the cost of your data logging system. Speak with our installer, Spartan Solar, if you have additional questions.

How do I know if I qualify for a larger income-based rebate?

If you meet the income thresholds for your household size (in the table to the right), you can verify your income prior to submitting your rebate application by going to <http://masscecoverify.com/>. The dollar figures shown are based on your most recent gross income on file with the IRS.

Alternatively, if you receive a special low-income electricity rate or heating fuel assistance, you can submit a copy of your electric bill or fuel assistance letter with your rebate application. Additionally, if you have already been approved through Mass Save for larger income-based incentives, you can submit a copy of your letter of approval.

Household Size	80% of State Median Income	120% of State Median Income
1	\$45,840	\$68,760
2	\$59,944	\$89,916
3	\$74,049	\$111,074
4	\$88,153	\$132,230
5	\$102,257	\$153,386
6	\$116,362	\$174,544
7	\$119,006	\$178,510
8	\$121,652	\$182,478

***Note: These levels are updated annually. Visit <http://www.masscec.com/income-based-rebate-adders> for the most up-to-date income eligibility thresholds*