



# Welcome to the 51<sup>st</sup> State Solar Co-op!

## What is a Solar Co-op?

A “solar co-op” is a group of people who utilize their collective buying power to get competitive pricing and to support each other along the way as they “go solar”. Solar United Neighbors helps homeowners in 8 states and the District of Columbia go solar through these kinds of co-ops. For this co-op we are also proud to be a grant recipient from the District of Columbia’s Department of Energy and the Environment (DOEE) under the city’s “Solar for All” program. Solar for All has the goal of reducing electricity costs by 50% for 100,000 households over the next 15 years and our work is helping do just that.

With this grant funding, income-qualified participants will be eligible to **install solar on their house at no cost to them** and they will own their solar array from day 1. Just the energy savings alone from one of these systems adds up to more than \$14,000 over 20 years. This is a wonderful opportunity to permanently lower the cost of electricity for your home and we’re excited to have the opportunity to help you do it!

## Income Requirements to receive a solar array at no cost to you

To be eligible for a \$0 cost system through this program, participants will need to meet the following income guidelines:

Household Size	Income Limit
1	\$65,650
2	\$75,000
3	\$84,400
4	\$93,750
5	\$101,250
6	\$108,750

## How will you verify that I’m eligible?

According to the procedure put in place by the District of Columbia for this program there are a several ways we can verify whether you are eligible:

1. If you participate in one of these programs and can provide documentation:
  - TANF (Temporary Cash Assistance for Need Families)
  - SNAP (Supplemental Nutrition Assistance Program)
  - SSI (Supplemental Security Income)
  - Housing Voucher
  - LIHEAP (Low Income Home Energy Assistance Program)

2. If you do not participate in any programs listed in #1 you will need to apply for LIHEAP (Low-Income Home Energy Assistance Program) to qualify for the Solar for All program. The DOEE is using this to collect the proper information to qualify you. To do this you'll apply online at <http://doee.dc.gov/liheap>. The application will require you to provide:

- Recent copies of your utility bills.
- Recent payroll stub or other proof of your current gross income for the last 30 days and is valid within the last 90 days.
- Documentation showing income from Social Security, Unemployment Insurance, Pension Funds, disability, etc.
- Final utility disconnection notice (if you've received a shut-off notice from your energy company).
- Social Security cards (or documents with SSN number such as a paystub or official document from the Social Security Administration) for all persons living in your household.
- Valid photo identification for the applicant.
- **NOTE: LIHEAP income guidelines are lower than the guidelines for this program but you will still qualify for Solar for All as long as you meet the income guidelines listed above.**

## What documents will I be required to sign?

To participate in the program you will be asked to sign each of the following:

- ***Participant homeowner covenant***  
This document is an agreement with the District of Columbia Department of Energy and the Environment (DOEE) saying that you agree to operate the solar array for the next 15 years or, if you sell your home before that time that you will notify DOEE about whom the new owner is. The covenant is not income-tied and will not keep you from selling your house. It just makes sure DOEE is notified of the sale.
- ***System installation proposal and contract***  
This document will be provided by the installer working with the group and will describe the system you will receive, the equipment to be used, and the warranties. You will own the system so it's important for you to know and understand what's being installed on your home. Signing this document will indicate you want to proceed with installing a solar array.
- ***Solar United Neighbors participant agreement***  
This document confirms what you are receiving (a free solar array), your responsibilities as the system owner, and your approval to share certain information with Solar United Neighbors and the District of Columbia about the system and your energy usage.
- ***SREC broker agreement***  
As part of this program Solar United Neighbors will select a Solar Renewable Energy Credit (SREC) broker for you to use. This broker will assist you in selling your SRECs and sending you the revenue from those credits at an agreed upon schedule. When you begin to receive SREC income from your system will depend on what option you choose. See the SREC section below for more information.
- ***SREC assignment agreement***  
In most cases under this program (see SREC section below for more information), you will assign the first five years of your SREC income to a third party. That third party will then provide an upfront payment to Solar United Neighbors to cover a portion of the cost of the system. The remaining cost will be covered by the grant.

## What are SRECs, what's their value, what are my options under this program?

Solar Renewable Energy Credits are the "green" value of your electricity. Thanks to strong laws in the District of Columbia that support local solar energy, the credits your system will produce are very valuable. Every time your system produces 1,000 kWh (or 1 MWh) of electricity, you earn one SREC. The value of SRECs varies over time, much like a stock.

Part of the cost of your solar array will be covered by the grant but the rest of the cost will be covered by part of the value of these SRECs. You have some choices available to you as part of this program:

**1. Sign over 5 years of SRECS**

This option would assign the value of those SRECs to Solar United Neighbors to help pay for the system. If you choose this, your system will not cost you anything and after 5 years you will begin receiving any subsequent SREC payments directly.

**2. Pay to cover part of the system cost**

If you choose this option you would pay the portion of the system cost that will be covered by SRECs under this program. This amount is not yet finalized but will likely be between \$4,000 and \$5,000. If you do this you will begin receiving SREC income from the system as soon as you start generating credits. Prices for these credits change so it's hard to predict how much you will receive on a yearly basis but at current rates this would be approximately \$1,300 to \$1,400 per year.

**The Federal Tax Credit for solar**

The Federal government encourages solar by offering a tax credit to people who install solar arrays. The value of the credit is 30% of the installed system cost. For example, if the cost of your solar array is \$11,000 then you would be eligible to take a \$3,300 credit off of your tax bill.

Even though the system cost will be covered by the grant program, you can still take the tax credit. In order to do so you will need to:

- Keep a paid-in-full invoice of the system cost for your records
- File IRS Form 5695 -- The value on line 15 is the amount that will be credited on your taxes this year. Enter that value into Form 1040, line 53 (or Form 1040NR, line 50). Please consult an accountant or tax adviser with any questions about how to do this.
- Have enough tax liability to use the credit -- In other words, if you owe enough taxes during the year to cover the amount of the credit you would get that tax money back when you file your taxes.

**NOTE:** If you do not owe enough taxes to take the whole amount in one tax year you can take the rest of it in future tax years.

**What are my responsibilities as the owner of the system?**

Solar arrays have no moving parts and generally do not require any significant maintenance. As the owner of the system you are responsible for making sure the it stays in working order for 15 years or until you sell your home. To help you check on your solar array you will have access to online monitoring of how much energy it's producing. As part of this program the system will also come with at least a 15-year warranty on installation and on all the equipment and with an operations and maintenance plan to make sure you have support from a solar professional should you need it.

In addition to the warranties and maintenance plan, we will also provide you with a free **Solar United Neighbors membership**. This membership will give you with access to updates on solar in the District and enable access to our solar help desk to help answer any questions you may have as a system owner.

**How long will it take until my solar array is generating electricity?**

From the time you sign the contract with the installer until the system is approved to be turned on and generating electricity is around 4 to 5 months. There are numerous steps along the way which the installer will handle for you. These include:

- Permitting and design
- Installation (usually takes 2 to 3 days on site)
- Inspection by DCRA
- On-site review by 3<sup>rd</sup> party chosen by Solar United Neighbors (you don't need to be present for this)
- System training and monitoring setup
- Utility interconnection approval from Pepco
- SREC registration

### Who should I contact with questions during the process?

For questions about the system, the installation, etc. you will be in contact with the group's installer. Once the group selects the installer for this co-op we will send you information about that installer and they will also contact you directly to start the process of providing you with a proposal.

For questions about the program or if you aren't sure whom to contact please get in touch with us here at Solar United Neighbors:

- Yesenia Rivera; [yesenia@solarunitedneighbors.org](mailto:yesenia@solarunitedneighbors.org); 240-523-3948
- Andrea Hylant; [andrea@solarunitedneighbors.org](mailto:andrea@solarunitedneighbors.org); 202-838-3601

### What about the age of my roof?

If the covering on your roof is older than 10 years old solar may not be a good fit for you. Solar arrays can last for 20 to 25 years. Replacing your roof will also require removing and re-installing the solar panels which can cost \$1,500 to \$3,500 depending on the system size so it's important to push that cost off into the future as much as possible. If your roof has less than 10 years of life left on it we recommend getting your roof repaired or replaced before installing solar.

There is also a program in the city that helps homeowners replace their roofs through DHCD at no cost if you are income-qualified. Please note that the replacement process takes about two years. To inquire about this program please contact one of the agencies organizations:

ORGANIZATION	ADDRESS	PHONE NUMBER
Greater Washington Urban League	2901 14th Street, NW Washington, DC 20009	(202) 265-8200
Housing Counseling Services, Inc.	2410 - 17th Street, NW Washington, DC 20009	(202) 667-7006
Lydia's House, Inc.	4101 Martin Luther King Jr. Ave., SW Washington, DC 20032	(202) 373-1050
University Legal Services, Inc.	1800 Martin Luther King Jr. Ave., SE Washington, DC 20020	(202) 889-2196
University Legal Services, Inc.	3939 Benning Road, NE Washington, DC 20019	(202) 396-1200
University Legal Services, Inc.	220 "I" Street, NE # 130 Washington, DC 20002	(202) 547-4747