

RUN YOUR HOME ON SUNSHINE

Phil Angell

Solar Designer, Consultant, Licensed Builder, Solar powered

July 25, 2023 7:00 – 8:30pm
Plymouth Public Library

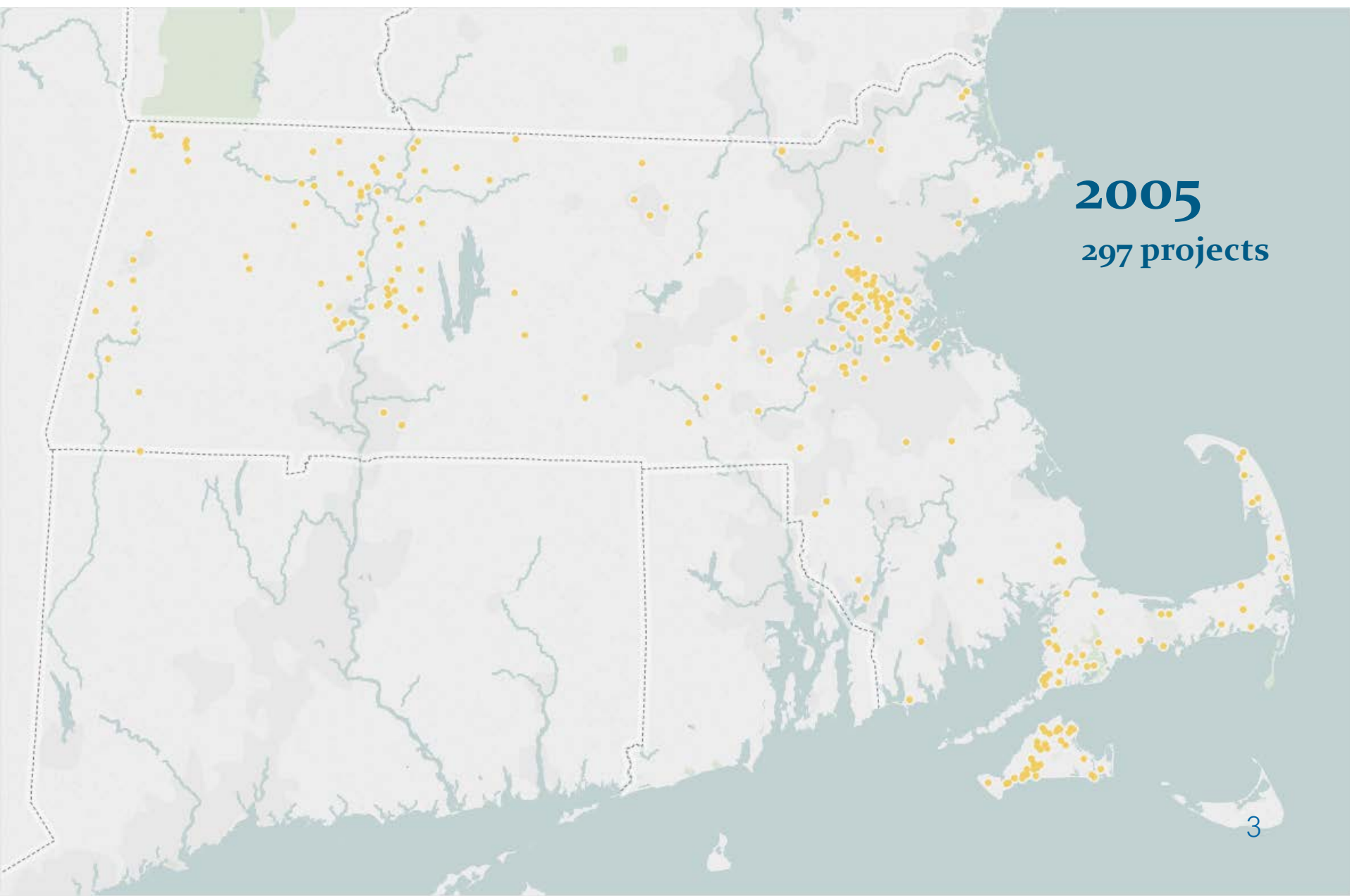


AGENDA

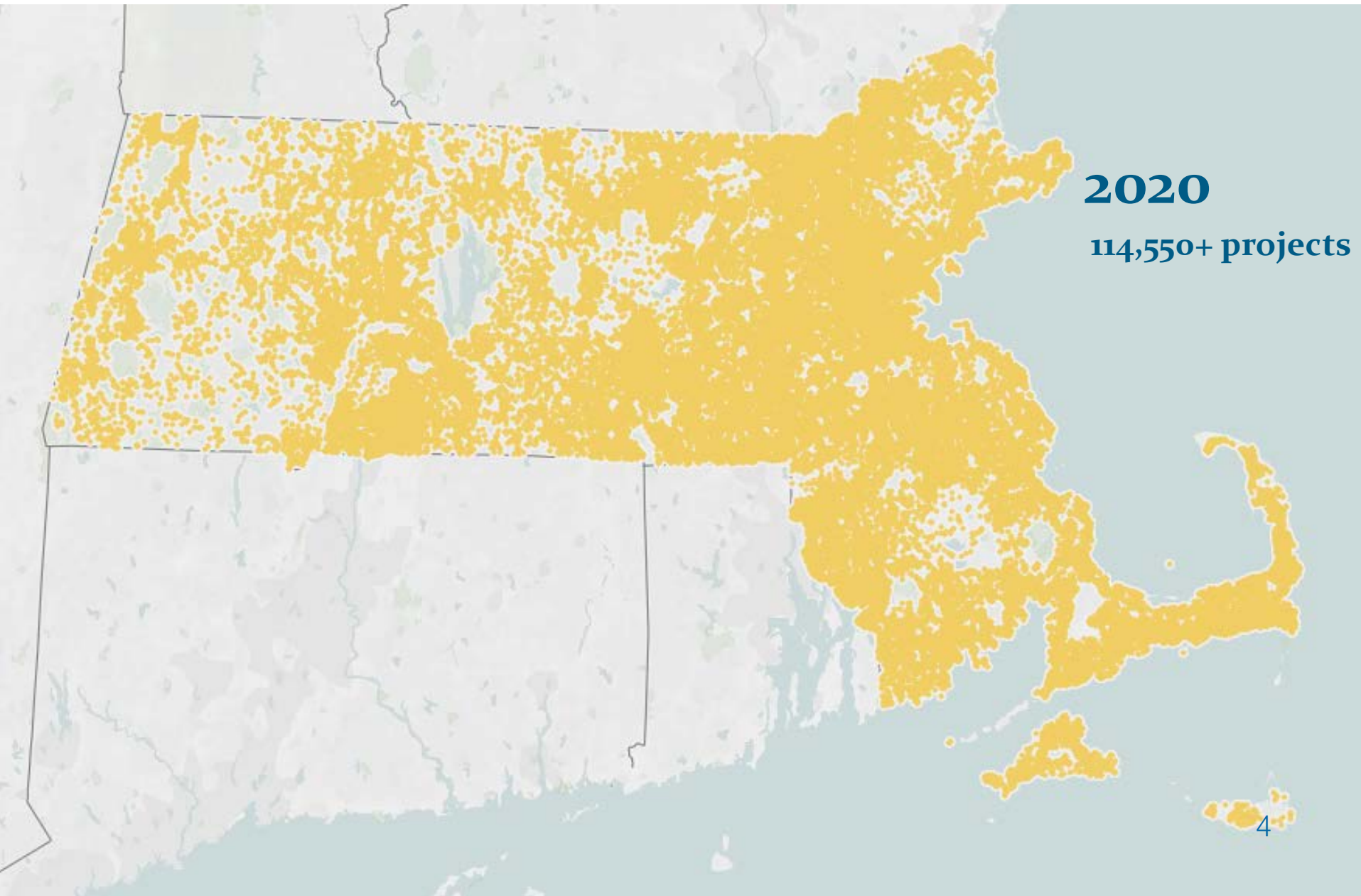
- Solar in Massachusetts
- How Solar Systems Work
- Planning for EV, Heat Pump
- Ownership Models
- Battery Storage
- Finding a Contractor
- Incentives & Programs



Solar PV Project Trends in Massachusetts



Solar PV Project Trends in Massachusetts



How Do Solar Panels Work?



Solar photovoltaic (PV)

Converts solar energy to electricity

System measured in kW

Electricity production in kWh

Most homeowners install between 2 kW – 12 kW

System Components

System components:
Inverter & Racking



Racking system



Inverter

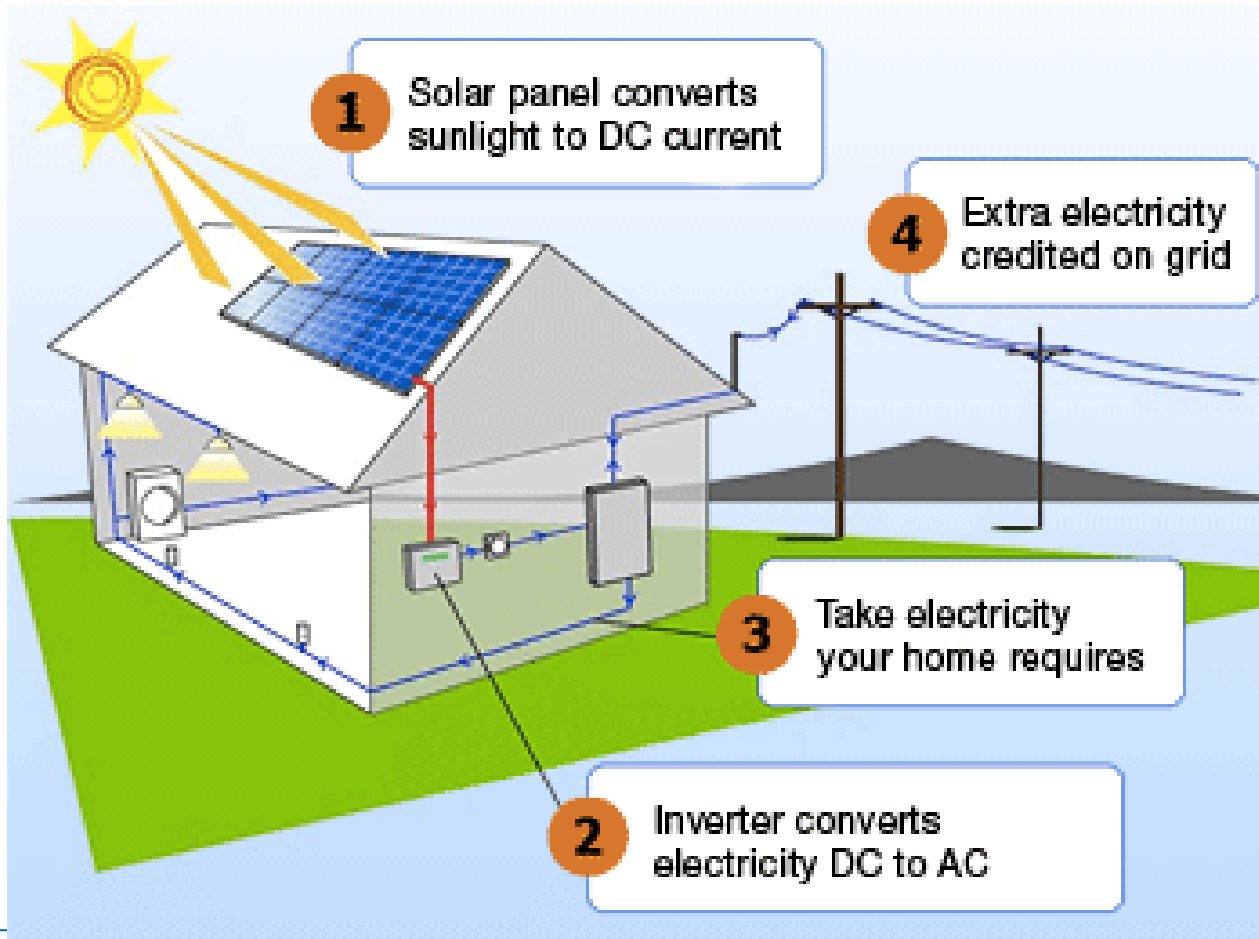
How Does It Connect to Electric Panel?



Simple connection, most home electric systems don't need upgrades before solar

How Solar System Works

How a solar PV system works (grid tied)



What Happens if The Power Goes Out?

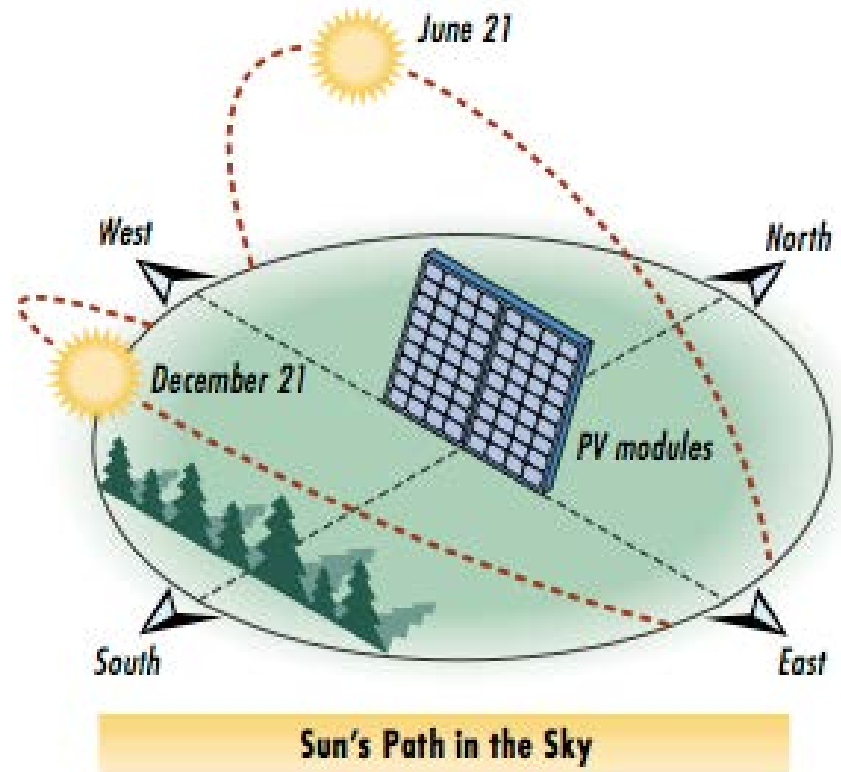


When grid is down, solar shuts off (safety mechanism)

Need batteries if you want you want power during outages

What Makes a Good Site?

- **Appropriate** exposure
- PV panels angled $30^{\circ} - 45^{\circ}$
- At least 4-6 hours of direct sunlight (limited shading)
- Open roof area
- Open space for a ground or pole mounted system



<http://energy.ltgovernors.com/solar-energy-pv-systems-self-generation-make-your-own-power.html>

Understanding Your Home's Electricity Use

Customer Name Key: CHWV

Statement Date: 08/18/21

Service Provided To:

Svc Addr: 440-0000000000

NEWTON HLD MA 02461

Rate A1 R1 RESIDENTIAL Cycle 12

Service from 07/19/21 - 08/17/21

Next read date on or about: Sep 16, 2021

29 Days

| Meter Number | Current Read | Previous Read | Current Usage | Reading Type |
|--------------|--------------|---------------|---------------|--------------|
| 1891577 | 42677 | 41080 | 1597 | Actual |

Monthly kWh Use

| Aug | Sep | Oct | Nov | Dec | Jan | Feb |
|------|------|-----|------|------|------|------|
| 2447 | 1255 | 920 | 869 | 1149 | 1130 | 1062 |
| Mar | Apr | May | Jun | Jul | Aug | |
| 763 | 743 | 815 | 1143 | 1733 | 1597 | |

Contact Information

Emergency: 800-592-2000

www.eversource.com

CustomerServiceMA@eversource.com

Pay by Phone: 888-783-6618

Customer Service: 800-592-2000

Important Messages About Your Account

THANK YOU FOR GOING PAPERLESS.

DIGGING? STATE LAW REQUIRES YOU OR YOUR CONTRACTOR TO CALL DIG SAFE AT 811 AT LEAST THREE BUSINESS DAYS PRIOR TO DIGGING. FOR MORE INFORMATION VISIT DIGSAFE.COM. IMPORTANT SAFETY INFORMATION IS ALSO AVAILABLE IN THE "SAFETY" SECTION OF EVERSOURCE.COM.

Electric Account Summary

Amount Due On 08/14/21

Last Payment Received On 08/10/21

Balance Forward

Current Charges/Credits

Electric Supply Services

Delivery Services

Other Charges or Credits

Total Current Charges

Total Amount Due

-\$205.14

-\$311.00

-\$516.14

\$214.83

\$208.67

\$0.00

\$423.50

-\$92.64

Total Charges for Electricity

Supplier (DIRECT ENERGY NEWTON POWERCHOICE)

Meter 1891577

Generation Service Charge

Subtotal Supplier Services

1597 kWh X .13452

\$214.83

\$214.83

Delivery

(Rate A1 R1 RESIDENTIAL)

Meter 1891577

Customer Charge

Distribution Charge

Transition Charge

Transmission Charge

Revenue Decoupling Charge

Distributed Solar Charge

Renewable Energy Charge

Energy Efficiency

Subtotal Delivery Services

Total Cost of Electricity

\$7.00

\$112.35

-\$1.87

\$56.28

\$4.78

\$1.96

\$0.80

\$27.37

\$208.67

\$423.50

Average MA Home uses 7,500 kWh / year
(EIA, 2014 state data)

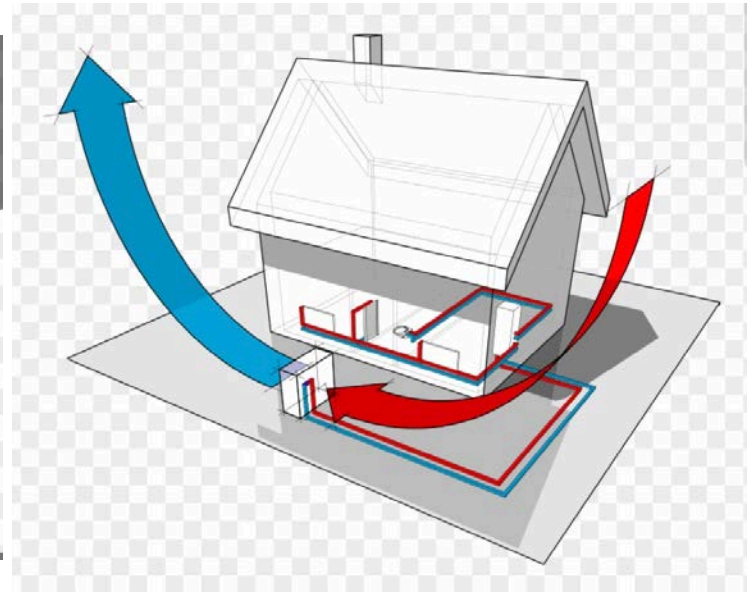
Average solar PV system in MA is about
7,000 watts or 7 kW (13,179 in sample)

Your electric bill has summary of prior year's
consumption

Understanding your electricity use will assist
installer in sizing solar PV system to best
meet your needs

Back of the Envelope Calculation: 1 kW = approximately 1,100 kWh/year

Planning for future loads



Ownership Models

- Outright purchase
- Financed purchase
- Power Purchase Agreement
- Lease
- Community Solar



Ownership Model Details

| | Direct Ownership | Third Party Ownership |
|--|--|--|
| Who buys and owns the system? | Homeowner | Third-party company |
| Are there any up-front costs for the homeowner? | Yes. May pay with cash or take out a home equity or solar loan | Low or no up-front cost |
| Cost Estimate for Ave Home <small>[L] [SEP]</small> (7 kW system) | \$25,000 - \$7,500 - \$1,000 net \$16,500 / 25 years = \$660/year (\$55 per month) | Reduction in future and possible current electric bill. |
| Who takes advantage of federal and state incentives available for solar? | Generally Homeowner | Generally third-party company |
| Who is responsible for maintenance and insurance? | Homeowner | Third-party company |
| Impact of Solar PV on Property Value | Fannie Mae guidance: real property. National lab studies, PV Value Tool | Fannie Mae guidance: personal property. LBNL study found no evidence of negative impact on value |
| Point of Sale: What to clarify with a realtor? | Ownership and remaining time of ongoing state incentives (SRECs / SMART incentive)* | UCC-1 subordination at refiling* |

BATTERY BACKUP FOR GRID-CONNECTED HOMES

Two Functions of Battery Storage



**Backup
Power
for you**



**Get paid to
help the Grid
via Connected
Solutions**

Batteries Similar to Generator, but with some important differences.



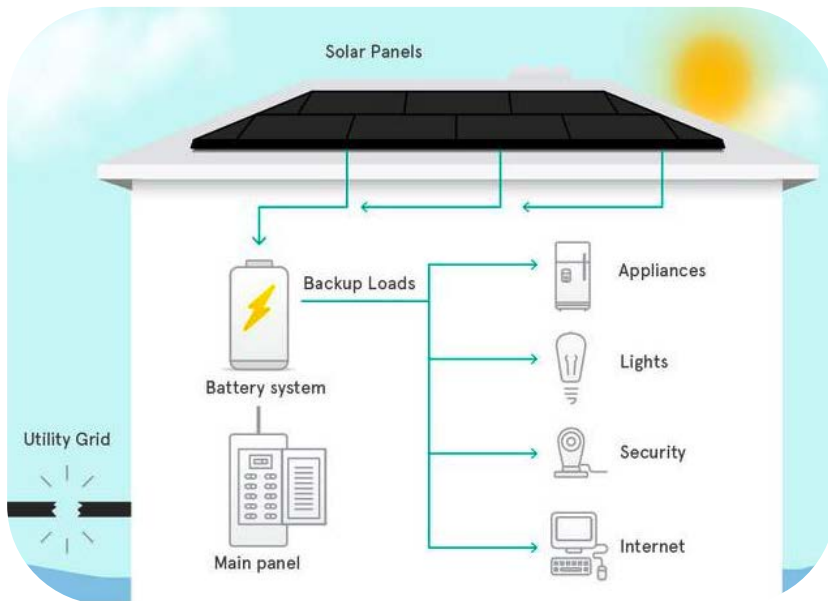
Source: Sonnen



Source: alarmcentralsecurity.com

What Can Batteries Power?

Critical home loads



Source: SolarCity

Storage during a utility outage

- Seamless backup power
- Typically only power critical loads
 - Matched to battery size/amount
 - “Critical loads sub-panel”

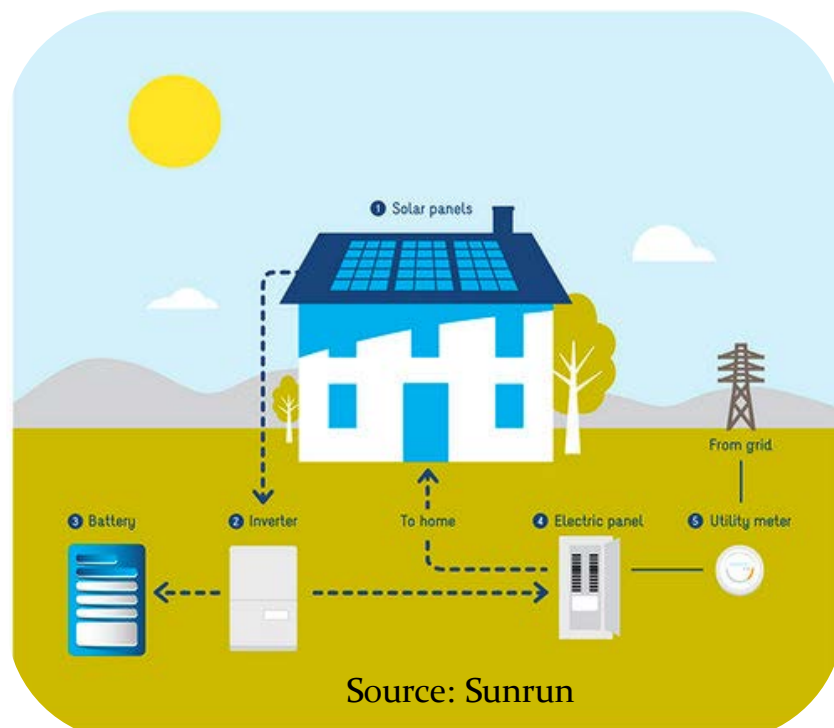
How Does Storage Work with Solar?

Installation:

- Same time as solar or retrofitted
- May require additional hardware
- May require fire-rated enclosure

Solar + Storage:

- Solar charges batteries for later use
- Grid energy can also charge batteries
- Small amounts of energy keep batteries “topped off”
- Batteries only kick in (automatically!) when power is out



Installing Solar with Solar vs Later

With Solar

- Immediate backup power benefits
- May reduce some shared labor and admin costs by paying a contractor once instead of twice
- Eligible for 30% solar Federal Tax Credit

Later

- Solar now and wait for battery prices to fall further
- Most likely AC-coupled
- May require an additional inverter
- Supply issues

Hypothetical Small Example



The Johnsons lose power from the utility several times a year. Each time the power is out for at least a day.

6 kWh Battery Bank

- Fully re-charged by solar (5.6 kW) daily
- NOTE: No solar = 1 day only

What will run when the power is out:

- Refrigerator; small microwave
- Boiler or furnace
- Some lights; some outlets
- Cable modem

What they chose not to power:

- Stove; dryer; electric water heater

Basic Cost Estimates

Hardware cost (examples) +

| Equipment | Cost | Size |
|-----------------------|----------|----------|
| Powerwall 2 (Li-ion) | \$6,200 | 13.5 kWh |
| Powerwall 1 (Li-ion) | \$3,000 | 6.4 kWh |
| LG Chem (Li-ion) | \$6,000 | 6.6 kWh |
| Sonnen Eco 4 (Li-ion) | \$10,000 | 4 kWh |
| Sealed Lead Acid | \$5,200 | 12 kWh |



Installation costs +

\$3,000 - \$5,000 for
standalone installation
and additional
equipment

Maintenance costs

Varies between
installers and battery
chemistries

**Pricing for our small 6 kWh battery
example:**

~\$6,000 + \$4,000 + \$1,000

= ~\$11,000

Operations and Maintenance

Warranties

- Two common warranty types:
 - Specific time period (**years**) OR duration of use (**cycles**)
- Typical Li-ion warranty: 10 years
- Examples:
 - Sonnen: 70% of max. capacity for 10,000 cycles (or 10 years)
 - Tesla: Free of defects for 10 years with unlimited cycles
- Typical lead acid warranty: 2 to 5 years
- Installer's labor should be warranted (wiring)



Note: Solar panels are warranted for 25 years

Source: <https://blog.pickmysolar.com/home-battery-backup-comparison-tesla-sonnenbatterie>

Finding a Contractor



MASSACHUSETTS
CLEAN ENERGY
CENTER®

AVAILABLE INCENTIVES AND PROGRAMS

Solar Incentives in Massachusetts

High electricity prices + reduced solar PV costs + numerous incentives
= economical solar projects

Incentives

Federal and State Tax Incentives

Net Metering / Utility Bill Savings

Production Incentives (SMART program)



Federal & State Tax Incentives

- 30% uncapped Federal tax credit for systems installed 2022-2032
 - Applies to electric panel upgrade too, if upgraded in conjunction with rooftop solar
- 30% uncapped Federal tax credit for battery storage
- 15% State tax credit (capped at \$1,000)
- SMART program
- Equipment sales tax exemption
- Property tax exemption (100% for 20 years, if applicable)

Net Metering

- Meter spins forward when you use electricity from the electric company
- Meter spins backward when you generate excess and “export” electricity to the grid
- You may use net metering credits to decrease your electricity bill to zero dollars
- Smaller systems receive nearly full retail value of exported value (under 10 kW)



Solar Massachusetts Renewable Target (SMART) Program

- For every unit of electricity, SMART sets a compensation rate that is the value of electricity (per kWh generated) + additional incentive
- Available with Eversource, National Grid, and Unitil (municipal utilities may participate under a separate program) 25 kW only)
- Supports installation of 3,200 MW (AC) of new solar generating capacity in MA, incentives decrease as amount of solar increases
- Compensation rate set according to project size, location, customer type as well as other project attributes
- Provides an added incentive for solar PV systems with energy storage

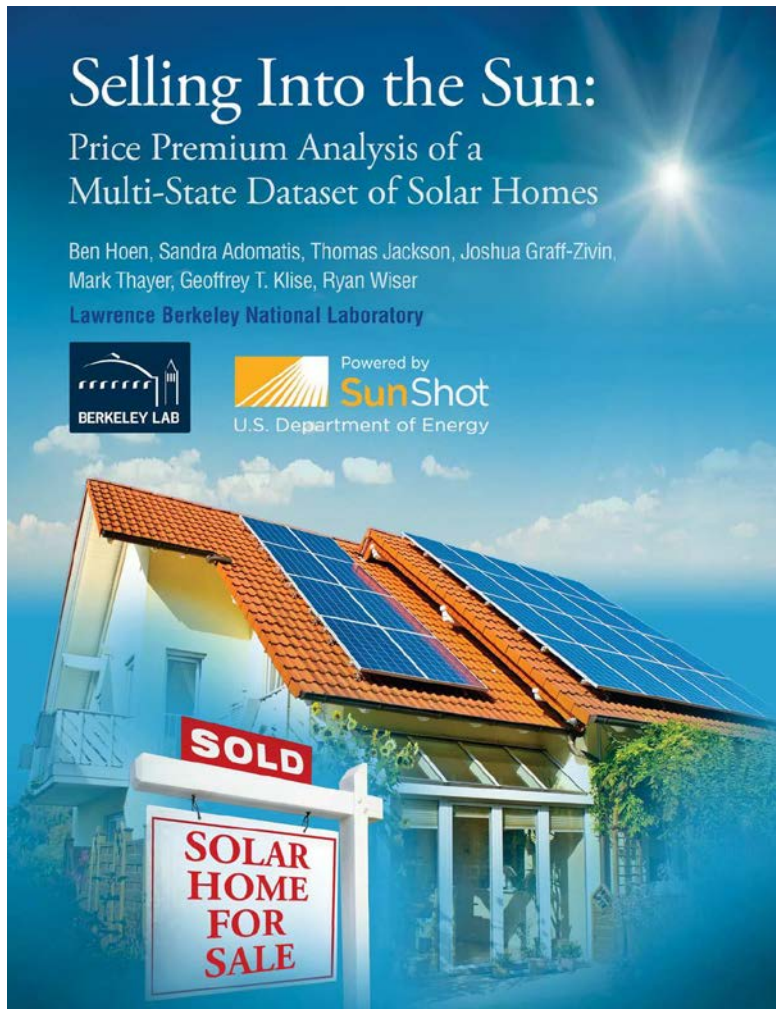
Impact on Property Value and Insurance

Massachusetts Renewable Energy Tax Exemption

- “Solar energy systems... used as a primary or auxiliary power system for the purpose of heating or otherwise supplying the energy needs of taxable property are exempt from local property tax for a 20-year period”
- Home Insurance
 - Usually little to no increase



Potential Impact on Home Value



Lawrence Berkeley National Lab "[Selling into the Sun](#)"
Report, January, 2015

- National analysis of market value of solar PV homes
- Compared over 22,000 properties with and without PV
- Found high solar PV premiums for owned systems
- Recommends using comparable sales of other PV homes, present value of energy savings and replacement costs to predict value elsewhere.

Other Research

- "[Appraising into The Sun](#)" six appraisers found similar premiums as above
- "[Leasing into The Sun](#)" no premium found for systems owned by a third-party

Questions?