



# FACT SHEET

## Important Information From Your Local Non-Profit Utility

### COMMUNITY SOLAR FREQUENTLY ASKED QUESTIONS

#### **What is community solar?**

Community solar is a low-hassle option that generally offers a lower entry-price than rooftop solar and allows you to support a sustainable future through an investment in a renewable source of energy – solar. You and others in your community come together to share in the cost of the construction of a solar electric system. Relative to an investment in customer solar, you can purchase units in smaller increments. You also don't have to worry about siting, permitting, securing a contractor to install the solar panels or ongoing maintenance of the panels and equipment.

#### **How does "community" solar compare with "rooftop" solar?**

- Rooftop solar is typically owned or leased from a third-party vendor by a homeowner or business owner and located on homes or businesses rooftops. Solar panel installations can also be located on the ground if the property owner has the space. Community solar is paid for mostly by interested customers in the community. It can be sited at various locations throughout the community and is typically ground-mounted due to the large number of panels.
- The entry price point for community solar units can be much less than rooftop solar, since the units are sized much smaller and the costs are spread out over multiple participants.
- Not all customer properties are conducive to solar generation because they are not optimally situated relative to the sun or objects that may block the sun. Community solar programs are sited to avoid these issues.
- Any electric customer of the utility can participate in community solar.
- Unlike rooftop solar, community solar is not directly associated with a customer's home or business property. Therefore, some of the issues that could arise on the sale of the home or business are avoided.

#### **How will this Community Solar program work?**

Clallam PUD will build the solar program, which will be funded mostly by customers who are interested in participating in the program.

#### **Where is Clallam PUD's Community Solar program going to be located?**

At 410 East Washington Street in Sequim, inside the

abandoned substation and right next to where the old Sequim office used to be located.

#### **How big is the program? How much electricity will it produce?**

The program, 30 kilowatts total, will have approximately 96 panels and is estimated to produce up to 32,000 kWh on an annual basis.

#### **As a customer, why should I be interested in community solar?**

Investing in solar is a personal decision that is impacted by a number of factors. Currently, customers have the opportunity to take advantage of the financial incentives offered by the State of Washington. Some customers have strong environmental beliefs and want to support the growth of solar for the environmental attributes.

#### **What are the financial incentives?**

The financial benefits include Washington State solar production incentives, paid out annually. In addition, you receive a credit on your bill based on the production of the solar array just as if you had solar on your own house.

#### **How do I receive the incentives?**

There are two ways – generation credits on your monthly bill and an annual production incentive.

**Generation credit:** Participants will receive a monthly bill credit based on a proportional share of the energy produced by the program. Each bill cycle the solar production will be metered and a portion of the production will be allocated to the participant's bills based on the number of solar units that they have purchased. A unit is equal to approximately 15 watts of power. Each unit is expected to produce an average of 16 kWh of electricity on an annual basis (more in the summer and less in the winter). The total amount of credit applied to a participant's bill will be based upon the number of units purchased and the actual energy production (kWh). The value of this credit is equal to the electrical rate of each participant.

**Production Incentive:** Under current Washington state law, an estimated \$0.14 per kilowatt hour production incentive is available to customers who participate in Clallam PUD's community solar program, prorated among solar customers due to limited

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available funds allowed by the state legislature. The state's current annual incentive is capped at \$5,000 per entity and will be available for eight years following program completion. Clallam PUD acts as the administrator for state incentive payments. Once you are selected as a community solar program participant, have signed the participation agreement and paid your fees, you are automatically enrolled in the incentive payment program.

*Note: The state production incentive is subject to changes in state law.*

***When can I expect to see my first production credit on my bill?***

We hope to have the system generating in late 2019. The monthly credit is for the estimated amount of energy production for your units.

***When will I receive the annual Washington state incentive?***

The state incentive payment will be disbursed by Clallam PUD via check every fall for a period of eight years. The first payment will be made in the fall of 2020, as these annual incentive payments follow the Washington State's fiscal year of July 1 through June 30.

***Am I eligible for a federal tax credit?***

Please consult your tax advisor to see if you are eligible to claim a renewable energy tax credit on your federal income taxes.

***How long will it take to recover my initial costs?***

With current state incentives, a participant should recover their initial costs before completion of the program.

***Can I monitor the production of the community solar program?***

Yes. Clallam PUD will post production data at [www.ClallamPUD.net](http://www.ClallamPUD.net). Your generation credit will also be printed monthly on your bill.

***How can I participate? How can I get involved?***

A customer can submit an offer to purchase between one and 125 units by completing the participation agreement and submitting payment in person at the Clallam PUD main office. A unit is equal to approximately 15 watts of power.

***Can anyone participate? Do I have to own my house or property to participate?***

Any Clallam PUD customer with a metered electric service may participate in the community solar program. There is no requirement of home or property ownership, so participants can live in an apartment, condo, home,

townhouse, etc. and still be eligible to participate.

***Can both my spouse/domestic partner and I sign up separately to participate?***

No, one entry per account number.

***How much does it cost to participate? How many units may I purchase? How many units are available?***

The cost per unit is \$57.96. Customers may choose to purchase between one (1) unit and one-hundred-twenty-five (125) units. There are a total of 2,000 units available.

*Note: The estimated cost of the program, including installation, operations, maintenance and administration, is \$115,916.70. The participants cover most of the cost of the program.*

***Are there additional costs?***

No. All insurance, warranty and maintenance costs are included in the one-time upfront unit cost.

***How do I pay for my unit(s)?***

The Participation Agreement must accompany or precede payment for the cost of unit(s).

**Payment at the Clallam PUD office:** Clallam PUD will accept cash, check, or VISA/MasterCard/Discover debit or credit card at any of Clallam PUD's offices.

***Can I pay for my unit(s) over time?***

No. The total unit(s) costs must be paid in full.

***Can I still participate in our community solar program if I move?***

If you move within Clallam PUD's service territory, your solar units will automatically transfer with you. If you move outside of Clallam PUD's service territory, you can no longer participate; however, if you notify Clallam PUD within 60 days prior to termination, you may transfer your unit(s) to another Clallam PUD customer. The new customer will need to sign a new agreement to receive the bill credits and state incentives (if still applicable).

***Can I transfer my unit(s) to a charity or a nonprofit organization?***

Yes, a unit(s) may be transferred to a charity or organization that is a Clallam PUD customer. That charity or organization would have to sign the participation agreement in order to participate.

***How long will I receive benefits from the program?***

The program is expected to operate through 2044, but is subject to the Terms and Conditions of the Participation Agreement. Please refer to the Participation Agreement. State incentive payments will be made annually over a period of eight years. Monthly bill credits will continue as long as the program is operational.

<https://www.clallampud.net/communitysolar/>

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