

# Community and Shared Solar

## Solar Policy Survey

October 2016



---

The NESEMC Solar Policy Survey compiles information on state-level policies that significantly influence the solar energy market. The survey was produced with the help of the Pace Energy and Climate Center’s team of student researchers. The vast majority of the information contained within this document has been obtained from [the Database of State Incentives for Renewables & Efficiency](#) (DSIRE) with additional information and research obtained from various sources.

**Note:** These factsheets are updated periodically to reflect policy changes within each state. If you notice a mistake or out of date information, please contact Nick Martin at [nmartin@nesemc.com](mailto:nmartin@nesemc.com).

---

### POLICY BACKGROUND

Community and shared solar allows multiple customers to offset their electricity purchases from a single PV system. Shared solar can expand solar PV markets by allowing customers who may not be able to site solar PV installations at their own location to obtain the benefits of solar PV energy. A 2008 study by the National Renewable Energy Laboratory (NREL) found that only approximately 25% of residential rooftop area is suitable for solar PV systems.

In some states, shared solar configuration may be permissible under current net metering and virtual net metering rules. Other states are investigating shared solar configurations through pilot programs. Additionally, some states may place limitations on shared solar configurations including the maximum number of participants, credit value for participants, as well as other limitations that may emanate from net metering rules (e.g. state wide net metering caps).

**SUMMARY**

**COMMUNITY AND SHARED SOLAR**

<b>CT</b>	No wide-ranging shared solar program, but recently passed legislation has established a shared clean energy facility pilot program.
<b>ME</b>	Certain shared solar configurations are allowable for customers of investor-owned utilities through virtual net metering rules. Up to 10 participants per single facility and all participants must hold ownership stake.
<b>MA</b>	Shared solar configurations are allowable under virtual net metering provisions. Participants must be located within same utility territory and ISO-NE zone.
<b>NH</b>	Shared solar configurations are allowable under net metering provisions. The host must provide to the commission a list of all participants and certify that all participants have executed an agreement with host regarding utilization of kWh produced by eligible facility.
<b>NJ</b>	Shared solar configurations not currently allowed.
<b>NY</b>	Shared solar configurations are allowable through New York’s community net metering provisions. Eligible facilities must be less than 2MW and serve at least 10 customers.
<b>PA</b>	Shared solar configurations not currently allowed.
<b>RI</b>	Shared solar configurations not currently allowed.
<b>VT</b>	Shared solar configurations are allowable under virtual net metering provisions. The host customer must file the PSB information including customers and meters that are part of the group, credit allocation methods, a dispute resolution process, and other information.

## CONNECTICUT

Connecticut does not have a wide-ranging shared solar program, but recently passed legislation has established a shared clean energy facility pilot program.<sup>1</sup> Project proposals will be submitted to and selected by the CT Department of Energy and Environmental Protection (DEEP).

**Enrollment / Program Size Limits:**

The pilot program is capped at 6MW statewide with 2MW in United Illuminating's service area and 4MW in Eversource's service area.

There is no limit on the number of subscribers, but each pilot project must have at least two subscribers. The minimum size for a project is 100kW.

**Compensation Rules:**

CT DEEP will establish a billing credit for subscribers, but the legislation does not stipulate the value of this credit.

**Other Limitations:**

Shared solar is currently only a pilot project in Connecticut. CT DEEP has been directed to recommend whether a permanent program should be established in the state within two years.

## MAINE

Through Maine's provisions for virtual net metering, certain shared solar configurations are allowable for customers of investor-owned utilities.

**Enrollment / Program Size Limits:**

Up to 10 participants are allowed to receive credit from a single eligible facility.

Shared solar facilities are included under net metering single facility capacity limits of 660kW for IOU customers and 100kW for muni and co-op customers.

Shared solar facilities are also included under the aggregate capacity limit whereby utilities must notify the PUC if the cumulative capacity of net metered facilities reaches 1% of peak demand.

**Compensation Rules:**

Credits are applied at the retail rate towards participants bills based on the ownership interest of the eligible facility.

**Other Limitations:**

Participants in Maine's shared renewables policy must acquire an actual ownership stake in the generating facility; leasing or temporary subscriptions are not permitted.

## MASSACHUSETTS

---

<sup>1</sup> [Conn. Public Act No. 15-113](#)

Massachusetts's provisions for virtual net metering allow for shared solar configurations. Massachusetts also allows for "neighborhood net metering" for Class I, II, and III facilities (including solar PV).

**Enrollment / Program Size Limits:**

Shared solar facilities are included under the state-wide net metering capacity limit of 4% of utility's peak load for private entities and 5% of utility's peak load for municipalities and government entities.

"Neighborhood net metering" facilities must be owned or serve the energy needs of a group of at least 10 residential customers in a single neighborhood and served by a single utility. Non-residential customers may also be served as long as base requirements are met.

**Compensation Rules:**

Credits for neighborhood net metering facilities do not include credit for the distribution component of the energy bill.

**Other Limitations:**

Participants must be located within same utility territory and ISO-NE zone.

## NEW HAMPSHIRE

Through New Hampshire's provisions for virtual net metering, certain shared solar configurations are allowable.

**Enrollment / Program Size Limits:**

Shared solar facilities are included under net metering single facility capacity limits of 1MW. There is not an explicit limit on the number of participants allowed.

**Compensation Rules:**

The host receives credit at rates consistent with the credit the host receives relative to its own net metering (i.e. full retail rate), which are then applied to participants based on executed agreements.

**Other Limitations:**

Participants must be default service customers located within the same utility territory as the host.

The host must provide to the commission a list of all participants and certify that all participants have executed an agreement with host regarding utilization of kWh produced by eligible facility.

## NEW JERSEY

New Jersey does not currently allow for shared solar configurations.

## NEW YORK

New York allows for community net metering.<sup>2</sup>

---

<sup>2</sup> [NY PSC Order Case 15-E-0082, Order Establishing a Community Distributed Generation Program and Making Other Findings](#)

**Enrollment / Program Size Limits:**

Eligible facilities must be less than 2MW.

The facility must serve at least 10 customers.

**Compensation Rules:**

The host and participants receive credit at the retail rate.

**Other Limitations:**

Initial projects must be located where they can provide the greatest locational benefits to the larger power grid, or where they can support economically distressed community by incorporating low- and moderate-income customers.

Any participating customer with demand greater than 25kW may not constitute greater than 40% of the shared facilities output.

## PENNSYLVANIA

Pennsylvania does not currently allow for shared solar configurations.

## RHODE ISLAND

Rhode Island does not currently allow for community or shared solar configurations.

## VERMONT

Vermont's net metering program allows for shared solar configurations.

**Enrollment / Program Size Limits:**

Shared solar facilities are included under net metering single facility capacity limits of 500kW for most customers and 2.2MW for military projects.

There are no limits on the number of participants.

**Compensation Rules:**

The host and participants receive credit at the retail rate. Utilities must also offer an extra credit of \$0.20/kWh minus the highest retail rate.

**Other Limitations:**

The host customer must file the PSB information including customers and meters that are part of the group, credit allocation methods, a dispute resolution process, and other information.

## About NESEMC



The **Northeast Solar Energy Market Coalition** brings together solar energy business associations and other stakeholders in the Northeast United States to harmonize regional solar energy policy and advance the solar energy market. We are funded by the U.S. Department of Energy SunShot Initiative as a cooperative agreement through 2017.

Our vision is a thriving, efficient regional market for solar photovoltaic energy generation in the Northeast.

We will realize our vision by encouraging and engaging regional solar businesses in advancing market policy to lower costs and increase solar market opportunity. We will educate stakeholders and policy makers throughout the region directly, and by empowering our member organizations with robust analysis and timely information.

Visit us at [NESEMC.com](http://NESEMC.com)

*Powered by*  
**SunShot**  
U.S. Department of Energy