



# Ownership Options for Solar PV Based on the Average New England Home

## System Design for Average NE Home

Installed System Size = 4.9kW  
 Annual kWhs = 6084  
 Electrical Savings = \$912  
 Minimum SREC Revenue Yr = \$1,734  
 Monthly Electrical Expense Before Solar \$75.

### Option 1

#### Direct Buy Option (No Financing) - Highest Value Proposition

<b>Tier One Pricing</b>		<b>Tier Five Pricing</b>	
System Cost	\$5.00/watt \$24,500	System Cost	\$4.25/watt \$20,825
<sup>1</sup> Rebates And Tax Credits	\$10,310	<sup>1</sup> Rebates And Tax Credits	\$9,207
Annual Income/Savings	\$2,646	Annual Income/Savings	\$2,646
Payback	5.34years	Payback	4.38
*20 yr Net Income	\$23,846	20 yr Net Income	\$26,418

### Option 2

#### Purchase (With Financing 10 Years @ 8.25%) - Good Value Proposition

<b>Tier One</b>		<b>Tier Five</b>	
Same Pricing as Above		Same Pricing as Above	
Annual Finance Cost	\$2,088	Annual Finance Cost	\$1,709
**10 yr Net Income	\$5,832	10 yr Net Income	\$9,618

### Option 3

#### Lease - Limited Value Proposition

<b>Tier One</b>		<b>Tier Five</b>	
Per kWh Cost \$0.14		Per kWh Cost \$0.115	
Cost Savings per Month	\$7.29	Cost Savings per Month	\$19.38
Cost Savings per Year	\$87.48	Cost Savings per Year	\$233
***20 yr Cost Savings	\$1,750	20 yr Cost Savings	\$4,651

<sup>1</sup>30% Federal Tax Credit, \$1000 State Tax Credit, \$0.40 a watt minimum CEC Rebate  
 \*Total Income & savings from system (net -metering, SRECs, Tax Credits) minus original system cost over twenty years  
 \*\*Total income & savings from system minus finance cost over ten years  
 \*\*\*Saving from electrical cost multiplied by 240 Months - (20 Years)  
 All Figures are estimates, actual performance may vary





## Solarize Montague Photovoltaic (PV) Pricing

### Sample 4.9 kW PV system (residential systems typically 2-5 kW)

- Covers a monthly electric bill of approximately \$ 75 on average

**Direct Buy Option:** Building owner pays for system and receives incentives listed below.

	Solarize Pricing Price per Watt	Total Upfront Cost for 4.9 kW PV*	Cost After 1 Year, with incentives, income	Savings compared to typical market cost of \$5.25/w**	% Discount compared to typical market cost**
Tier 1	\$ 5.00	\$ 22,500	\$ 14,190	\$ 1,225	5%
Tier 2	\$ 4.95	\$ 22,255	\$ 14,019	\$ 1,470	6%
Tier 3	\$ 4.75	\$ 21,275	\$ 13,333	\$ 2,450	10%
Tier 4	\$ 4.50	\$ 20,050	\$ 12,475	\$ 3,675	14%
Tier 5	\$ 4.25	\$ 18,825	\$ 11,618	\$ 4,900	19%

\* Cost with assignment of rebates to NE Solar; add \$2,000 if owner gets rebates

\*\* When upfront cost includes paying \$2,000 to be rebated by MassCEC to owner

#### Incentives:

\$912 Electrical savings on approximately 6,084 kWh generated by PV

\$ 1,710: Solar Renewable Energy Credits (assuming floor price of \$285 per SREC)

30% Federal tax credits/\$ 1,000 State Tax Credits

~ \$ 2,000 Mass Clean Energy Center Rebate

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#### Purchase with Full Financing: Net System Cost - 10 years at 8.25%

	Financing cost per year	Revenue per year*	Net annual savings
Tier 1	\$ 2,088	\$ 2,646	\$ 558
Tier 2	\$ 2,063	\$ 2,646	\$ 583
Tier 3	\$1,962	\$ 2,646	\$ 684
Tier 4	\$1,836	\$ 2,646	\$ 810
Tier 5	\$1,709	\$ 2,646	\$ 937

\* From electric savings, SRECs

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**Lease Option:** Owner pays \$0 up-front & gets discounted rates for electricity produced by PV system.

	Price per kWh	Solarize lease payment per month	Yearly savings for electricity from PV	% Savings on electric costs (vs. standard)
Tier 1	0.14	\$ 67.71	\$ 87	9.5%
Tier 2	0.138	\$ 66.74	\$ 99	10.8%
Tier 3	0.125	\$ 60.45	\$ 175	19.2%
Tier 4	0.12	\$ 58.03	\$ 204	22.3%
Tier 5	0.115	\$ 55.62	\$ 233	25.5%

Solarize Montague recommends starting with energy efficiency, to lower the size and cost of the PV system that you'll need. Contact CET outreach coordinator, Laura Biddulph at 413-586-7350 x229 or [Laura.Biddulph@cetonline.org](mailto:Laura.Biddulph@cetonline.org), for info on efficiency options such as a Mass Save energy assessment and rebates.