



## Commonwealth Solar Hot Water - Commercial Program Construction Application Instructions

The Commonwealth Solar Hot Water Commercial Program provides rebates through a non-competitive application process for the installation of solar hot water projects by professional, licensed installers at commercial, municipal and large multi-family (more than 4 units) facilities. **The following instructions and solar system requirements (the “Application Instructions”) must be followed in order to apply and qualify for a rebate for a solar hot water system for your building.**

Total Funding available for Commercial Construction Program: \$600,000

### **INSTRUCTIONS:**

- 1) Determine eligibility.** To be eligible for a Commonwealth Solar Hot Water Program rebate, customers may install solar hot water (“SHW”) systems that use any fuel, not just electricity, as a backup. However, rebates are only available to Massachusetts customers who pay into MassCEC’s Renewable Energy Trust Fund. This includes all electric customers served by National Grid, NSTAR, Unitil (Fitchburg Gas and Electric), WMECO, or a [participating Municipal Lighting Plant community](#). Please provide your installer with a copy of your electric bill so that MassCEC can verify eligibility.

The program allows for third-party owned systems, meaning the System Owner may be a different entity than the building owner.

- 2) Find a qualified installer.** The Solar Energy Business Association of New England (“SEBANE”) maintains [a list of installers](#) who will install systems in Massachusetts. You may also refer to the Commonwealth Solar Hot Water Program Awarded Projects Database (at [www.masscec.com/solarhotwater](http://www.masscec.com/solarhotwater)) for a list of installers that have successfully submitted an application through the program.<sup>1</sup> MassCEC recommends that you obtain bids from more than one installer and always check references. Finally, your contract with the installer should require that the installer is properly insured with adequate coverage types and limits to meet the project’s needs, and the installed system meets all of the requirements for this rebate program, including, but not limited to, utilizing a licensed professional when required by state law.

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<sup>1</sup> SEBANE’s installer and the Awarded Projects Database list is not exhaustive of all installers in the Commonwealth and MassCEC does not endorse, guarantee, warrant, supervise, or control the performance of any installer or the results achieved, and specifically disclaims any such warranty.



**3) Estimate Your Rebate.** The base rebate is determined by the number of collectors installed and the SRCC thermal performance rating of the collectors<sup>2</sup>. In addition to the base rebate, you may be eligible to receive additional funding if your system has eligible [Massachusetts manufactured components](#) or if your building is located in one of the eleven (11) communities (Westfield, West Springfield, Springfield, Wilbraham, Monson, Brimfield, Charlton, Southbridge, Sturbridge, Hampden, Palmer) affected by the June 1, 2011 tornado in the western part of Massachusetts. In order to receive this Natural Disaster Relief Adder, the Host Customer must submit official documentation from FEMA, MEMA, or an insurance company (or any other backup documentation that MassCEC may reasonably request) documenting that the the building was damaged or affected by the tornado.

	<b>Base Rebate</b>	<b>Mass Manufactured Component Adder</b>	<b>Total Rebate Cap</b>	<b>Natural Disaster Relief Adder**</b>
<b>Private</b>	\$25 x # of collectors x SRCC rating	\$200 if base rebate ≤ \$3,500. \$500 if base rebate > \$3,500.	Capped at lesser of \$25,000 per building or 25% of total system costs.	\$50 x # of collectors x SRCC rating. Capped at \$25,000 per building or 25% of total system costs.
<b>Public*</b>	\$30 x # of collectors x SRCC rating	\$200 if base rebate ≤ \$3,500. \$500 if base rebate > \$3,500.	Capped at lesser of \$30,000 per building or 30% of total system costs.	\$50 x # of collectors x SRCC rating. Capped at \$30,000 per building or 50% of total system costs.

\*Public Entities are defined as an instrumentality, authority, agency, department or political subdivision of the Commonwealth of Massachusetts, including municipalities.

\*\*The Natural Disaster Relief Adder will be awarded in addition to the total base rebate and will be paid separately to the “Payee” listed on the Project Completion Form. Note: third-party owned projects will be eligible to apply for the adder, but MassCEC may request additional information from the third-party owner that demonstrates the lease or PPA savings to the customer specifically as a result of receiving the adder.

**4) Sign the [Commonwealth Solar Hot Water Program Terms and Conditions](#)** and give it to your installer.

**5) Submit an Online Application:** Have your installer submit an online application through PowerClerk, including all backup documentation. Please note that a Pre-Design Study must be submitted with your application, and must address all aspects of the CSHW [Pre-Design Study Scope of Work](#). However, it is not a requirement to have had a MassCEC-funded Pre-Design Study.

**Installers:** Applications must be submitted electronically. Please visit [www.masscec.com/solarhotwater](http://www.masscec.com/solarhotwater) to access instructions on how to submit an online application through PowerClerk.

<sup>2</sup> For purposes of calculating the rebate, MassCEC uses the Solar Rating and Certification Corporation’s (SRCC) thousands of btu/panel/day rating for “Category C, Mildly Cloudy Day.” To find the rating of your collector, go to <http://www.solar-rating.org/ratings/ratings.htm> and click on "Certified Collectors and Ratings".



Completed applications will be considered in the order they are received online in PowerClerk. An application will be considered complete only if all required fields have been filled out on the application form, and all required supporting documentation has been submitted.

You will be notified by email when your application has been approved. Do not order, purchase, or install any equipment until you have been notified that your application has been approved. Installation prior to MassCEC approval may render your project ineligible for funding.

- 6) **Install the Solar Hot Water System.** Please ensure that the system abides by all of the System Requirements listed below.
- 7) **Follow Completion Requirements.** Once the system is installed, the installer will need to submit the Project Completion Form through PowerClerk in order to initiate the rebate payment. Please review the [Project Completion Instructions](#) to understand these requirements in advance of installing your system.

The rebate payment may be paid directly to the Installer, the System Owner or the Host Customer (in the case of third-party owned systems). The payee must be designated when submitting the project completion form.

- 8) **Post-Installation Inspections.** MassCEC is committed to ensuring the quality of your installation. MassCEC will conduct an inspection of at least the first installation completed by any installer participating in the program, and reserves the right to inspect any system.

**Entity Cap:** Entities (Installers, Building Owners or System Owners/Third-party Owners) will be capped at \$150,000 to prevent one entity from using all of the Commercial Construction funds. However, MassCEC reserves the right to remove the cap at any time.

**Sector Cap:** MassCEC's goal is to fund a diverse array of projects at different businesses and multi-family facilities. Therefore, neither of the two sectors (non-residential or residential) will be awarded more than 50% of the Commercial Construction Program budget.

**MassCEC will post updates on currently available funding.**



### **SYSTEM REQUIREMENTS:**

- 1) **Installation schedule and requirements:** All systems must be installed within 9 months of the date of the award letter that you will receive from MassCEC after your application is approved. No rebates will be awarded to systems installed before the date on the rebate award letter. Rebates will be paid upon receipt of all project completion documents. Systems and system installation must meet all applicable state and local laws and ordinances.
- 2) **System warranties and certifications:** Solar hot water systems must be whole systems (tanks, collectors, controls, and plumbing), the components must be new, OG-100 or OG-300 certified by the Solar Rating and Certification Corporation ("SRCC")<sup>3</sup>, and backed by a minimum 10-year manufacturer's warranty for collectors, 2-year warranty for other system components, and at least a 2-year comprehensive installation warranty.
- 3) **Technical Specifications:**
  - *Collector area and mounting:* A Solar Pathfinder or a comparable device must show that collectors are subject to at least 5 hours per day unobstructed sunlight (75% shade-free). Collector tilt must follow manufacturer specifications, and orientation must be between 90 degrees and 250 degrees magnetic. Collectors must be secured according to manufacturer's recommendations.
  - *Storage:* All systems must follow manufacturer's recommendations regarding storage capacity.
  - *Plumbing:* All systems shall include one of the stagnation and freeze protection methods specified in the application form. Installer shall provide assurances for freeze protection to at least -27 degrees Fahrenheit in the case of pressurized systems or 9 degrees Fahrenheit for drainback systems. All systems must have insulation on all exposed and accessible hot water piping.
- 4) **Metering:** All construction projects will be required to install monitoring equipment. MassCEC will provide up to an additional \$1,000 toward monitoring installation costs for the awarded construction grants. Data collected through the pilot program will allow MassCEC to assess actual performance of commercial-scale solar thermal systems, and will help inform the design of a larger follow-on program. MassCEC or its representative may contact your installer to verify the system layout and details, and arrange for reporting. Please refer to the [Commonwealth Solar Hot Water Performance Monitoring System Requirements](#) for further details.

**REBATE TAXABILITY:** Rebates may be considered taxable income to the parties in this agreement by the U.S. Internal Revenue Service and the Massachusetts Department of Revenue. All parties are strongly encouraged to consult with a tax professional to determine the federal and/or state tax implications of

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<sup>3</sup> Solar collectors are eligible if they have interim SRCC certification. However, the system must be installed and the collectors must have achieved Final SRCC Certification within twelve (12) months of the date on the award letter, otherwise the rebate will be automatically forfeited.



receipt of the Rebate. Please note: A rebate tax liability may exist whether the payment is made directly to one of the parties or on its behalf.

As a result, MassCEC will need to receive a completed W-9 Form from each awarded System Owner, prior to remittance of the rebate payment. A template W-9 Form and corresponding instructions can be found at [www.masscec.com/solarhotwater](http://www.masscec.com/solarhotwater) for the System Owner to complete and return to MassCEC's finance department. MassCEC will send out a Form 1099 to each System Owner that is awarded funding through the Commonwealth Solar Hot Water program.

**MassCEC reserves the right to reject applications that are incomplete or do not meet program requirements, or otherwise, in its sole discretion. MassCEC reserves the right to make the final determination on whether systems or documents meet the standards set forth in this program.**

**The Commonwealth Solar Hot Water Commercial program rebate is available while funding lasts. Do not install the system until you have received approval of your application or you may not be eligible for funding. MassCEC reserves the right to adjust rebate levels and program caps at any time and without prior notice. The rebate levels set during the time of your complete application submittal will determine your rebate amount.**