



## Commonwealth Solar Hot Water Commercial Pilot Program Pre-Design Study Solicitation

### Program Summary

The Massachusetts Clean Energy Center's ("MassCEC") mission is to accelerate job growth and economic development in the state's clean energy industry. One way MassCEC does this is by directly supporting renewable energy projects throughout the Commonwealth. In February 2011, MassCEC launched the [Commonwealth Solar Hot Water Residential Pilot Program](#) which provides rebates through a non-competitive application process for the installation of solar hot water ("SHW") projects at residential and multi-family (1 to 4 unit) homes.

The Commonwealth Solar Hot Water Commercial Pilot Program complements the current Residential Program by providing funding for the installation of SHW systems on commercial and large multi-family buildings. The program offers grants through a non-competitive application process for SHW pre-design studies and construction projects. MassCEC's Renewable Energy Trust Fund has reserved \$1 million to support this one year commercial pilot program. **MassCEC is pleased to begin accepting applications for pre-design study grants as part of this solicitation. A separate solicitation for design and construction grants is expected to be released in September 2011.**

### 1) Pre-Design Studies

The goal of the MassCEC funded pre-design studies is to help building owners<sup>1</sup> assess the potential benefits of installing a solar hot water system. Pre-design study grants will be awarded to building applicants who have procured an experienced consultant that will submit the Pre-Design Study Grant Application to MassCEC on the building applicant's behalf and conduct the Pre-Design Study. MassCEC will require a site visit and a comprehensive report assessing the design considerations specified in Attachment 1 to the Pre-Design Study Participant's Agreement (Attachment B), including, but not limited to, analysis of the site, the roof structure, the hot water load (to be measured through metering), and project economics.

*Cost Share:* MassCEC will require a cost-share of 25% for non-public commercial entities; No cost share is required for public entities

*Time to Complete Study:* 3 months

*Grant Cap:* \$10,000

*Total Funding available for Pre-Design Studies:* \$350,000

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<sup>1</sup> In the case of long-term lease agreements, where the Building Applicant has authorization to make capital improvements to the building but does not own the building, both the Building Applicant and the Building Owner must sign Attachment B.



**Note:** A MassCEC funded Pre-Design Study is not a prerequisite to receiving a construction grant from the Commonwealth Solar Hot Water Commercial Program. However, a completed Pre-Design Study that addresses all of the considerations in Attachment 1 will be required as part of the construction application.

## **2) Construction Grants**

A separate solicitation is expected to be released in September 2011 requesting applications for SHW construction projects.

Construction grants will be awarded to SHW construction projects based on favorable results of the pre-design study, the proposed system cost (\$/BTU), the estimated project completion date, and the quality of the application and experience of the installation firm. This grant will be an estimated performance-based incentive; the construction grants are expected to be capped at \$25,000 or 15% of system costs for private installations, whichever is lower, and up to \$30,000 or 30% of costs for public installations.

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.

*Total Funding available for Construction Grants: \$600,000*

### **Eligibility**

To be eligible for a Commonwealth Solar Hot Water Commercial Pilot Program Pre-Design Study grant, systems must serve entities that are located in an electric utility territory that contributes to MassCEC's Renewable Energy Trust Fund, which includes customers served by National Grid, NSTAR, Unitil (Fitchburg Gas and Electric), WMECO or a participating Municipal Light Plant community. MassCEC will require applicants to submit a copy of their electric bill so that MassCEC can verify that the customer pays into the Renewable Energy Trust Fund. Customers may install SHW systems that use any fuel, not just electricity, as a backup.

### **Pre-Design Study Evaluation Criteria**

1. The project location has adequate solar exposure and year-round hot water consumption.
2. An experienced consultant has been selected to conduct the pre-design work.
3. The proposed timeframe and budget for the study are reasonable.



Completed applications will be considered in the order in which they are received. 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. 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. Commonwealth Solar Hot Water Commercial grants are available while funding lasts.

### **Pre-Design Study Grant Application Process**

- 1) Building Applicant must complete and sign the Pre-Design Study Participant's Agreement (Attachment B)
- 2) Consultant must submit the Commonwealth Solar Hot Water Pre-Design Study Application (Attachment A) with all required backup documentation (including Attachment B) to [SolarHotWater@MassCEC.com](mailto:SolarHotWater@MassCEC.com)
- 3) **PRE-DESIGN STUDY WORK MAY NOT COMMENCE UNTIL RECEIPT OF AWARD LETTER**
- 4) MassCEC will review and approve the Application and issue an award letter (via email) within 30 days of the receipt of a complete application
- 5) Consultant may begin work on Pre-Design Study
- 6) Consultant must submit Draft Pre-Design Study Report within 10 weeks of award date
- 7) MassCEC will provide feedback and comments to be incorporated in the Final Report
- 8) Consultant must submit Final Pre-Design Study Report within 12 weeks of award date
- 9) MassCEC will pay Pre-Design Study grant within 30 to 45 days of receipt of the Final Pre-Design Study Report

Note: MassCEC encourages building owners to implement cost effective energy efficiency improvements onsite before installing renewable energy systems.

### **Grant Taxability**

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

MassCEC will send out a Form 1099 to each Grantee that is awarded a grant through the Commonwealth Solar Hot Water Commercial Pilot Program. As a result, MassCEC will need to receive a completed W-9 Form from each Grantee, prior to remittance of the rebate payment. A template W-9 Form and corresponding instructions will be included in the award packet for the Grantee to complete and return to MassCEC's finance department.



**Attachment A: Application Form**

*See CSHW Commercial Pre-Design Study Application*

**Attachment B: Participant's Agreement**

*See Pre-Design Study Participants Agreement (includes Pre-Design Study Scope)*