



Affordable Solar Energy Systems for Qualifying Connecticut Homeowners

Connecticut Leads the Way With The Nation's First Rate Payer Supported Residential Leasing Program for Solar Energy.

The Connecticut Clean Energy Fund and CT Solar Leasing, LLC have combined the power of CCEF's innovative Solar Rebate program and the financial power of leasing to create an unbeatable way for qualifying homeowner customers of CL&P and UI to add solar energy to their homes for the lowest possible cost.

You Get The Advantage of Connecticut's Leading Rebate Program

The CT Solar Lease™ works in conjunction with Connecticut Clean Energy Fund's innovative solar rebate program. The rebate is utilized by CT Solar Leasing to reduce the monthly cost of the lease.

Smart Financial Decision

Since CT Solar Leasing owns the solar system, it can take advantage of expanded business tax incentives. The value of these extra incentives helps eliminate the need for a down payment and reduce the monthly cost of the lease even more!

Freedom to Choose the Installer

The CT Solar Lease™ allows you to choose your installer from a list of nearly 20 installers that have been pre-approved by the Connecticut Clean Energy Fund and CT Solar Leasing.

Save On Your Electric Bill

With your CT Solar Lease™, you pay a **fixed monthly payment**. As electric prices are expected to continue rising, your monthly payment stays the same thus increasing the savings on your electric bill.

\$0 Down Payment with Low Fixed Payments

Your CT Solar Lease™ requires no down payment and has been designed to provide qualifying homeowners with the lowest possible fixed monthly payment - less than \$120 per month for a typical 5kW system!

System Size (kW)	Total System Cost	Down Payment Required	Your Monthly Payment First 15 Years	Your Monthly Payment Final 5 Years
2	\$17,200	\$0	\$49	\$25
4	\$34,400	\$0	\$97	\$29
5	\$43,000	\$0	\$120*	\$36*
6	\$51,600	\$0	\$144	\$43
8	\$68,800	\$0	\$191	\$57
10	\$86,000	\$0	\$238	\$71

Estimated price per kW is based on the actual average price per kW installed under the CCEF Solar PV Rebate Program. Actual installation price can vary based on your specific system and other factors. *Average system size is 5 kW. Monthly payment based on 15 year lease with 5 year extension. Available to qualifying Connecticut homeowners only based on credit approval by AFC First Financial Corp. Estimated payments based on current rates and estimated rebate, subject to change.

Keep Your Future Options Open

With solar technology and costs changing at such a rapid pace, you will have several options at the end of your 15 year CT Solar Lease™. You can buy the system from us at its then current value; extend your lease for another 5 years at a significantly reduced monthly rate; or have the system removed at your own expense and returned to CT Solar Leasing with no future obligation.

Benefit More With Solar Dividends™

Offsetting your electric bill isn't the only way you can benefit. Our exclusive Solar Dividends™ program could provide additional value to you. Solar Dividends™ represent a portion of the value CT Solar Leasing can achieve from the sale of Renewable Energy Credits (RECs) which are based on the electricity produced by your system. CT Solar Leasing will account for the REC value earned by each system and Solar Dividends™ will be put into a reserve for future operating costs of the system such as inverter replacement and out of warranty repairs.



CONNECTICUT
CLEAN ENERGY FUND



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ctsolarlease.com

(888) 232-3477

Who is Eligible for the CT Solar Lease Program?

The CT Solar Lease Program is for Connecticut homeowner customers of CL&P and UI who:

- Install qualifying Solar PV systems
- Reside in their 1 to 4 family owner-occupied homes
- Have a household income of 200% or less of their area's median income
- meet the credit and debt to income qualifications of the program

Homeowners earning over the minimum income may still be eligible for CCEF's Solar Rebate Program. Contact your Eligible Installer or CCEF for more Information

Does Your Household Income Qualify You for a CT Solar Lease?

Eligible income is based on the median income of your town and the number of people in your household. Here is a "snapshot" of eligible income levels based on household size. Eligible Income is defined as the amount reported on the Federal Tax Return line 22 for the most recent tax year for all household members. You can download the detailed income table with town by town specifications at ctsolarlease.com

Eligible Income is based on income guidelines published by HUD and the Connecticut Department of Economic and Community Development as of March, 2009 and is subject to change.

Metro Area	Number of People in Household			
	Two	Four	Six	Eight
Bridgeport	\$135,680	\$169,600	\$196,736	\$223,872
Colchester	\$146,240	\$182,800	\$212,048	\$241,296
Danbury	\$171,360	\$214,200	\$248,472	\$282,744
Hartford - West Hartford-East Hartford	\$136,160	\$170,200	\$197,432	\$224,664
Litchfield County-Non Metro	\$138,720	\$173,400	\$201,144	\$228,888
Milford-Ansonia	\$137,120	\$171,400	\$198,824	\$226,248
New Haven-Meriden	\$128,320	\$160,400	\$186,064	\$211,728
Norwich-New London	\$128,800	\$161,000	\$186,760	\$212,520
Southern Middlesex-Middlesex	\$154,720	\$193,400	\$224,344	\$255,288
Stamford-Norwalk	\$195,680	\$244,600	\$283,736	\$322,872
Waterbury	\$107,040	\$133,800	\$155,208	\$176,616
Windham County-Non Metro	\$109,600	\$137,000	\$158,920	\$180,840



HOW DO I GET A CT SOLAR LEASE?

- Choose a CCEF Eligible Installer/ CT Solar Lease Approved Contractor to design and price your PV Solar System
- Apply On-Line for CT Solar Lease Credit Approval through AFC First at ctsolarlease.com or call (888) 232-3477 to apply or with any questions
- We'll have a quick decision on your application and advise you and your Installer
- Provide us with a copy of the deed to your house, homeowners insurance information and any income documentation we request (tax returns, etc.)
- We'll work with your Installer and CCEF to complete the rebate processing
- We will come to a convenient location to have you sign your lease papers
- Your credit approval with CT Solar Lease LLC will be valid for 120 days from the date of the rebate letter (subject to no significant changes in your financial or credit position during this period). If an extension of the rebate is requested past 120 days, the lease application will require re-approval.
- The Installer is paid immediately upon verification of satisfactory inspection by CCEF and authorization by you, the Homeowner
- You begin making your monthly CT Solar Lease payments 30 days after installation

Who is CT Solar Leasing?

The CT Solar Lease Program is offered by CT Solar Leasing, LLC in cooperation with the Connecticut Clean Energy Fund and AFC First Financial Corporation. CT Solar Leasing, LLC is a non-bank subsidiary of US Bancorp. US Bancorp (NYSE: USB), with \$238 billion in assets, is the parent company of U.S. Bank, the 6th largest commercial bank in the United States.

The Connecticut Clean Energy Fund was formed in 2000 by the Connecticut Legislature. CCEF is administered by Connecticut Innovations, which has a track record of making successful investments to advance emerging technologies. As of March 31, 2008 CCEF's funded projects, commitments and program allocations were in excess of \$165 million.

AFC First Financial Corporation, founded in 1947, provides energy efficiency financing in the Northeast and Mid-Atlantic U.S. It administers the CT Solar Leasing program for CCEF and CT Solar Leasing, LLC. AFC First is an Equal Housing Lender and FannieMae Approved Energy Lender.

FAQ's

Additional Frequently Asked Questions about CT Solar Lease



How Do I Find a CT Solar Lease Approved Installer?

To find an Eligible Installer in your area, please go to ctsolarlease.com and click on the "Find an Eligible Solar PV Installer" link or call (888) 232-3477. Eligible Installers are authorized to perform work under the CT Solar Lease program and are approved under the CCEF Solar Rebate program.

What are the Advantages of Leasing a Solar PV System?

The CT Solar Lease program provides a great opportunity to add a solar system to your home without the high upfront costs of ownership. CT Solar Leasing is currently providing a no money down opportunity to install a solar system on your property. The lease will provide for a low cost lease payment, fixed for the first 15 years at which time you have the option to extend the lease for an additional 5 years at a reduced cost. And our unique Solar Dividends™ program will even offset some of the future operating costs. It provides many of the benefits of ownership without the high upfront cost.

Who is Responsible for Repairs and Maintenance of the System During the Period of the Lease?

Similar to a car lease, you are responsible for paying all repairs and maintenance during the lease including insurance. However, the CT Solar Lease program requires your installer to warranty labor for the system for a full 5 years. In addition, manufacturer warranties are required for the modules (20 years minimum) and inverters (5 years minimum).

What Kind of Expenses Should I Expect From My System in the First 10 Years?

Research indicates that there should be little or no expenses associated with the system during the first 10 years except as might be caused by weather damage. It is likely that you will have to replace the inverter after 10 or 15 years. It is expected that the value of your Solar Dividends™ account should cover a large portion of that expense. Your installer can provide additional information on projected maintenance costs.

Can I Pre-Pay My Lease?

If you choose, you can pre-pay your lease by paying the total of the lease payments remaining. At this point you are entitled to use the system without additional lease costs until the end of the initial term. However, if you wanted to buy the system before the end of the initial term, you would still be required to pay the fair market value for the equipment and reimburse any unrecognized tax benefits associated with your lease.

What are My Options at the End of the Initial 15-Year Lease Term?

At the end of the initial lease term, you can: 1) extend the lease for an additional 5 years at a significantly reduced monthly payment 2) purchase the system at the then fair market value (determined by CCEF and an independent appraiser). 3) remove the system at your own expense and return it to CT Solar Leasing. You can also choose to work with your installer to upgrade to the latest technology.

If I Decide to Sell My House, What Will Happen with My Lease Payments?

The lease can simply be assumed by the new homeowner, subject to their credit qualification. There are no income restrictions on who may purchase your home or assume the lease.

If I Decide to Remove the System from My House, How Much Will it Cost?

You are responsible for the system removal cost. The actual cost will depend on the system size, design and your installer. A current estimated cost to remove a typical system 5 kW system is \$2,500-\$3,000. Your installer should be able to estimate a current cost to factor into your decision. Regardless, in the event you decided to remove the system from your home, the cost would be the same whether you owned the system or leased it. However, most home values are increased due to the addition of a solar energy generating system and therefore you will most likely want to leave the system in place.

If I Decide to Remove the System from My House, Can I Remove it Myself?

No. In order to ensure your safety, you need to contact an Eligible Installer to remove the system for you.

Can I Cancel My Lease?

In accordance with Federal and Connecticut law, the lease is only cancelable within 3 days of signing the lease document. After that period has expired, the lease may not be cancelled.

Is it Possible to Consolidate Lease Payments with Mortgage Payments?

No. The system is owned by CT Solar Leasing and therefore is not eligible to be rolled into mortgage payments.

How Do I Make Monthly Payments?

For convenience and to keep lease costs low, CT Solar Leasing requires automatic payment from your checking account. The monthly payment will be electronically deducted from your account on your lease due date.

How do the Renewable Energy Certificates (RECs) Produced by My Solar PV System Help Me?

A REC represents proof that 1 megawatt-hour (MWh) of electricity was generated from an eligible renewable energy source, such as a solar PV system. These renewable energy certificates may have tradable value in the marketplace. CT Solar Leasing owns the RECs as the system owner and will aggregate its RECs to provide additional benefits to you through its exclusive Solar Dividends™ program. As long as the lease is in compliance, CT Solar Leasing will use a portion of the proceeds from the sale of the RECs to provide you with a reserve for future significant operating costs of the system (such as inverter replacement and out of warranty repairs). The Solar Dividends™ program is administered by CT Solar Leasing which will account for the REC value earned by each system and report the data so you know what you have available. At the end of the lease term, the dollar amount that remains in your Solar Dividends™ account can be used for the purchase or removal of the system.

Property Tax Exemption - Does it Apply for the Lease?

For solar systems installed on or after October 1, 2007 the Connecticut General Statutes exempts from property tax any solar system installed for the generation of electricity for private residential use, provided such installation is for a single family dwelling or multifamily dwelling consisting of two to four units. This exemption applies to the solar system regardless of who owns the system. Thus, the lessee of a solar system will not have to pay property tax on his/her system.

Will There be any Sales Tax on the Lease of Solar Equipment?

No. The Connecticut General Statutes provide an exemption from sales tax for the sale or lease of "solar energy electricity generating systems," which is defined in part as systems or equipment which utilize solar energy to produce electricity at any private residential location. Because a solar system is considered a "solar energy electricity generating system," the leasing of solar systems is exempt from sales tax.

Will I be Able to Claim an Income Tax Credit for this System when I Sign the Lease Agreement?

No. Since CT Solar Leasing owns the system, it is allowed to take advantage of expanded business tax incentives that are not presently available to individual taxpayers. This is one of the major benefits of the CT Solar Lease Program - the value of these incentives effectively reduces the monthly cost of the CT Solar Lease.

Suppose I Decide to Rent My House, Who Pays the Lease Payments?

The homeowner that signs the lease agreement remains responsible for making the lease payments in a timely matter.

What Are All My Options if I Want To Sell My House or Refinance My Mortgage Before the End of the Lease Term?

The CT Solar Lease requires the Lessee (Homeowner) to obtain the consent of the Lessor (CT Solar Leasing, LLC) in various situations including the sale of the home and assignment of the CT Solar Lease to the new homeowner and a mortgage refinancing.

CT Solar Leasing, LLC (CT Solar) believes that most homebuyers will desire to purchase the home and assume the CT Solar Lease obligation due to the terms and benefits of the CT Solar Lease Program. CT Solar has indicated that it will review such requests and give its consent if the new homeowner achieves the credit standards, including reasonable underwriter discretion, published and then in use for the CT Solar Lease Program with such evaluation to be done by AFC First Financial Corporation (AFC). Any maximum income guidelines imposed by the Connecticut Clean Energy Fund (CCEF) used in the initial underwriting and qualification of the Lessee will be waived.

Similarly, in the case of a Homeowner refinancing their mortgage, CT Solar will review the terms of the refinancing and will generally evaluate in the following manner. If the refinancing involves a change in rate and/or term with no increase in the monthly payment, CT Solar will approve the request without further review. If the refinancing involves an increase in the monthly payment (typically a cash out transaction), CT Solar will give its consent if the Homeowner continues to achieve the credit standards, including reasonable underwriter discretion, published and then in use for the CT Solar Lease Program.

While the following situations are rarely expected to occur, CT Solar wants both Homeowners and Installers to understand how it would evaluate such requests while protecting its interests. In the first instance, a homeowner might desire to relocate their system to their new residence. In the second example, the homeowner may desire to purchase the system before the end of the lease term at which point they can continue to use the system in place or relocate the system at their own expense.

In the event that the Homeowner desires to move the solar system to their new residence, the Homeowner must make his/her request in writing to CT Solar Leasing, LLC. The request should include a description of the events leading to such decision; a draft contract from an eligible installer in the CT Solar Lease Program describing the removal and reinstallation process, timetable, cost and other information which is deemed relevant. The Lessee would be responsible for all costs related to the removal and reinstallation of the system. CT Solar will consult with CT Solar Lease Program participants including AFC and CCEF as well as CT Solar's tax advisors. If CT Solar obtains favorable guidance and approvals from such parties, it would give its consent along with any conditions and requirements. *NOTE: Due to current IRS guidelines, CT Solar's ability to give such consent during the first five years of the lease could be restricted and thus may not allow CT Solar to give its consent or may require more stringent conditions and requirements on the Lessee.*

What are Solar Dividends?

Your CT Solar Lease allows you to participate in this unique program which could provide significant financial benefit from your solar system in addition to reducing your utility bill. CT Solar Leasing will aggregate and then sell the Renewable Energy Credits it owns which are generated by your solar system as well as others in the CT Solar Lease Program and will set aside a significant portion of the proceeds for your benefit.

What are Renewable Energy Credits?

A Renewable Energy Credit, or REC, represents the exclusive legal right to claim that a unit of energy, typically one megawatt hour (1 MWh) physically metered and verified, was generated from a renewable source. These RECs can often be sold for cash value. RECs can encourage the production of renewable energy by providing a production subsidy to energy generated from renewable sources. Legally, RECs are initially the property of the owner of the renewable energy system, but they may be assigned or sold to others.

Who Buys Renewable Energy Certificates?

Generally, RECs are sold into either the compliance market or voluntary market. The compliance market is typically comprised of utilities and generators who are under governmental mandates to produce and/or sell a certain amount of renewable energy. These mandates are often called renewable portfolio standards (RPS). In order to meet their particular RPS, the entity (utility or generator) needs to accumulate the required number of RECs and then retire them so they can't be used again. The entity can either produce RECs from renewable energy projects under their ownership or they can buy RECs from other renewable energy project owners such as CT Solar Leasing. The voluntary market is comprised of companies and individuals that make a voluntary decision to utilize renewable energy as part of their own utility use. Many utilities offer voluntary "green energy" programs that allow electric users to make a voluntary choice to buy "green energy" by paying an additional amount on their monthly bill. These programs then buy RECs from renewable energy project owners to match the amount of "green energy" sold through the program. These RECs are also then retired so they can't be used again.

Another way to explain the concept of RECs is to think about renewable energy production being split into two separate monetary values. The actual electricity produced from a renewable energy system has the same value as the electricity produced by any other electric generation source. So, the value of the actual electricity is generally the same regardless of its source. In addition to the value of the electricity, a REC is also generated at the same time. The REC represents the added value of that electricity since it was generated from a renewable energy source. In the case of residential solar, the REC becomes a separate form of value that allows the electricity to be used in the household while preserving the value of the REC to be realized through the sale to an entity that desires to claim the renewable attributes of the same electricity.

How Does CT Solar Leasing's Ability To Aggregate RECs Help Me?

For most Connecticut homeowners who own a solar system, the process of generating and selling RECs can be challenging. First the solar system has to be approved by the State of Connecticut Department of Public Utility Control (DPUC) as a Class 1 Renewable Energy Source which involves a filing and DPUC hearing. Then the homeowner must set up an account with ISO New England's NEPOOL Generation Information System (GIS). Meter readings must be entered into the GIS on a timely basis and the solar system and meter readings are subject to periodic audit. Once the RECs are certified, they can be held ("banked") or sold ("banked" RECs can become invalid for sale into certain compliance and voluntary programs after specified periods). In many cases, the small number of RECs a homeowner could accumulate on its own would cause the transaction costs of a sale to significantly reduce the proceeds. It's no wonder that many Connecticut homeowners have decided not to bother with the procedure and thereby forego any REC sale benefits.

An aggregator like CT Solar Leasing offers several advantages. First CT Solar Leasing takes care of all DPUC filings and hearings as well as setting up the GIS system. CT Solar Leasing takes meter readings that you provide and generates the RECs which can be "banked" or sold. Since CT Solar Leasing owns many solar systems, it reports its RECs as if they came from one large system instead of a large number of small systems. In other words, CT Solar Leasing controls a large quantity of RECs which makes CT Solar Leasing a more attractive trading partner to an entity such as a utility that needs to purchase a large quantity of RECs. In fact, once the CT Solar Lease Program is complete, CT Solar Leasing will be one of the largest owners of solar RECs in the Northeast. Combined with professional management, CT Solar Leasing expects to obtain significantly better prices and terms than a typical homeowner could selling his/her RECs into the market.

How Do I Sign Up For The Solar Dividends Program?

You can acknowledge the terms and conditions of the program when you sign your lease papers or at anytime thereafter. However, you will not be eligible to earn Solar Dividends until you do so.

What Portion Of The Proceeds Will Go Into My Solar Dividends Account?

CT Solar will track the cumulative, weighted average price all REC sales after deducting its actual costs for administering the Solar Dividends program ("REC Sales Price"). When the REC Sales Price is less than or equal to \$30 per REC, 50% of the proceeds of that particular REC sale will be added to your Solar Dividends account. When the REC Sales Price exceeds \$30 per REC, then 100% of the proceeds of that particular REC sale after deducting \$15 per REC will be added to your Solar Dividends account.

Here is an example: A 5KW solar system should generate about 6 RECs per year. If the RECs were sold for \$30 each (net of administration costs), your Solar Dividends account would be credited for \$90. If the RECs were sold for \$50 each, your Solar Dividends account would be credited for \$210 and if the sales price was \$80 each, your share would equal \$390.

The REC trading market and pricing is changing rapidly. REC values tend to vary by state and region depending on governmental mandates and associated rules as well as voluntary market demand. CT Solar Leasing can not make any representations as to what RECs will be originated and sold in the program. Prices for Connecticut solar RECs have recently been quoted in a range of \$30 to \$80.

How Can My Solar Dividends Be Used?

CT Solar Leasing will hold the amount in your Solar Dividends account until you apply to use amounts available for an approved use. Generally, an approved use is (1) out of warranty repairs including inverter replacement; (2) the purchase of the system at the end of the lease term; or (3) the cost of removal and return of the system.

You may request reimbursement for any approved expenses paid to a third party or apply the balance against your purchase cost at the end of the lease.

What Are My Responsibilities?

Among your responsibilities are to provide CT Solar Leasing with meter readings from your solar system not less than 4 times per calendar year. These readings can then be entered online per instructions you will receive once your solar system is operating. You must remain in compliance with the terms of your lease agreement and may not take actions that would negate the value of the RECs.

Do I Have The Option Of Selling Or Retaining The RECs From My Solar System?

No, the RECs are owned by CT Solar Leasing and will be aggregated for the benefit of all participants in the CT Solar Lease Program.

Questions About Solar and Clean Energy in Connecticut?

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ctcleanenergy.com (860) 563-0015

- Clean Energy 101
- Solar PV Rebate Program
- Connecticut Clean Energy Communities
- Connecticut Science Center



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