



Connecticut's Special Solar Energy Leasing Plan for Homeowners



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.



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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.

Metro Area	Number of Household Members			
	Two	Four	Six	Eight
Bridgeport	\$129,760	\$162,200	\$188,152	\$214,104
Colchester	\$138,240	\$172,800	\$200,448	\$228,096
Danbury	\$167,200	\$209,000	\$242,440	\$275,880
Hartford - West Hartford-East Hartford	\$129,760	\$162,200	\$188,152	\$214,104
Litchfield County-Non Metro	\$133,440	\$166,800	\$193,488	\$220,176
Milford-Ansonia	\$130,560	\$163,200	\$189,312	\$215,424
New Haven-Meriden	\$125,280	\$156,600	\$181,656	\$206,712
Norwich-New London	\$123,840	\$154,800	\$179,568	\$204,336
Southern Middlesex-Middlesex	\$150,240	\$187,800	\$217,848	\$247,896
Stamford-Norwalk	\$188,480	\$235,600	\$273,296	\$311,892
Waterbury	\$101,920	\$127,400	\$147,784	\$168,168
Windham County-Non Metro	\$105,920	\$132,400	\$153,584	\$174,768

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 April 18, 2008 and is subject to change.



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 decision generally within an hour and no later than the next business day
- 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.

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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Solar Dividends™ Program

FREQUENTLY ASKED QUESTIONS (FAQS)

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.

What Is An Aggregator and How Does Aggregation Help Me?

An aggregator like CT Solar Leasing combines the REC's of many systems to take advantage of economies of scale and reduced administrative burden. First CT Solar Leasing takes care of all State of Connecticut Department of Public Utility Control filings and hearings to register the system as a Class 1 Renewable Energy Source as well as setting up an account in ISO New England's NEPOOL Generation Information 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 better prices and terms for its RECs which could result in more Solar Dividends in your account.

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 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. This example does not include the potential impact of multiple REC sales and averaging.

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 \$24 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.