

# Mt. Pleasant Solar Coop

## Mt Pleasant Solar Coop--- Wednesday June 15<sup>th</sup>

### From Dream to Reality—a Transition to Solar

Mt Pleasant Solar Coop is making it possible for every household in Mt Pleasant to “go solar.” Lower your home’s carbon footprint before 2009. Sign up now and help make it happen.

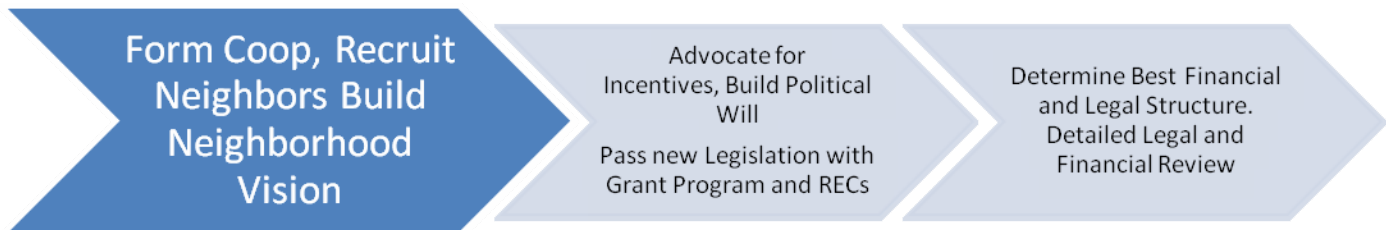
This information packet has four main sections:

1. **How We Got Here; Where we are Going:** An over view of the process of how we plan to make the Coop work. There are 4 Phases. We are currently shifting from Phase I to Phase II. In Phase I we built the model and membership and worked hard on advocacy to create the incentives that will make this project happen. In order to move to Phase II we need more formal commitments from our members to be able to develop the rest of the financial elements of the package.
2. **Engineering/House Overview:** This section is a summary of the basic equipment that will be installed on your roof, and what the likely implications if you sell your home.
3. **Financial Overview:** This section gives preliminary estimates on what we think the system will cost and the incentives we are developing to make solar affordable for everyone. Most of the financial elements are still in flux for example the DC Legislation has not yet passed. So this section gives you an idea where we think we are heading on the costs and what it will mean to you. It is not a promise from the Coop and we do not expect a hard commitment from you until all the numbers are nailed down.
4. **Solar Sign Up:** This section has two documents. One is general information about you and a chance for you to provide feedback about preferences on financing, and your readiness to move forward. The second document was prepared by our pro-bono lawyers. This “Letter of Agreement” is meant to look serious and official so that we can take it to banks, utilities, the DC Government and negotiate serious savings for our Coop members. We need these two sign up documents immediately in order to move forward!!!! We need volunteers to make it happen!

# Mt. Pleasant Solar Coop

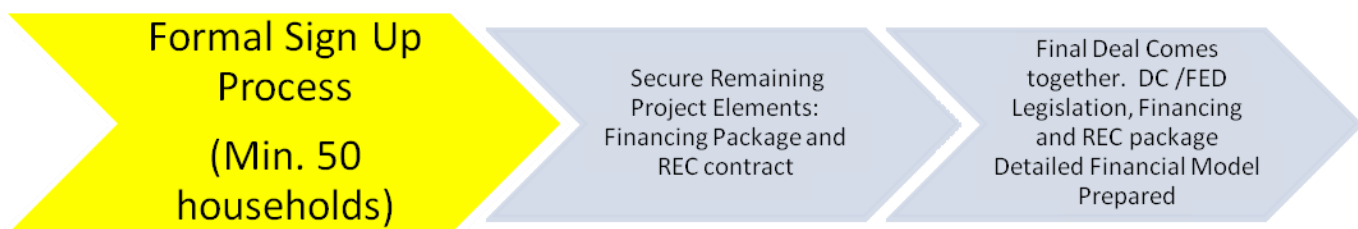
## How We Got Here; Where We Are Going

### Phase I: Preparing the Plan (Nearly Completed)



DC Legislation expected to pass July 15<sup>th</sup>. Legislation will provide rebate program for solar and create a market in DC for Renewable Energy Credits (RECS.) This means another source of income to offset the cost of going solar! Your emails to the DC Council made the difference! We have also done extensive review of financial and legal models with expert pro-bono legal, accounting, and engineering assistance from Coop members and others. Our website was donated by Coop member Frank Howard, Howard Consulting Group; <http://mtpleasantsolarcoop.org/>.

### Phase II: Assembling a Money Saving Package (June-August 2008)

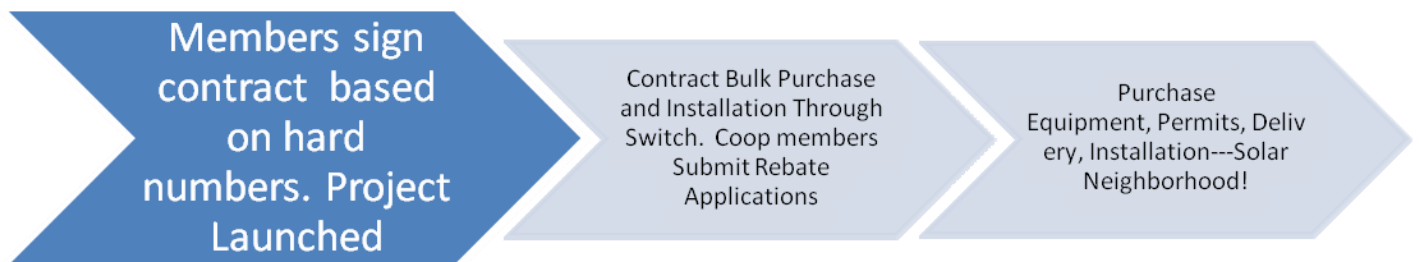


Once 50 families have signed up, we will have sufficient clout to negotiate the remaining elements of our solar financial package. The large number of members will give us much greater ability to negotiate financing for the solar panels, and for

# Mt. Pleasant Solar Coop

the sale of the Renewable Energy Credits (RECs) generated by our project. The more investors the cheaper the cost will be for everyone involved. We need at least ten volunteers to help members sign up.

## Phase III: Ready for Contracts (September-October 2008)



Once all of the key financial elements are in place a final package will be presented to all members of the Coop including the following elements:

- Grant amounts and Application Form if passed in July by DC Council
- REC expected revenue and REC Contracts as Negotiated by Solar Coop
- Info Sheet on Federal Income Tax Credits available to Coop members if approved by US Congress (this summer/fall).
- Financing Options and Application Form.
- Net Metering Contract for DC (for every kilowatt you produce with your panels, the same amount will be subtracted from your Pepco bill).
- Final Bulk Purchase Discount for Members based on actual number of homes that have signed up and Contract with Switch Energy for purchase and installation of panels.
- All Required Permit Application Forms (Historic, Electric, Interconnection)

# Mt. Pleasant Solar Coop

## Phase IV: Installation (November-December 2008)



Once the Coop receives all contracts and applications installation will begin. With luck and persistence, Mt Pleasant could have 100 homes with Solar Power by Christmas 2008!

# Mt. Pleasant Solar Coop

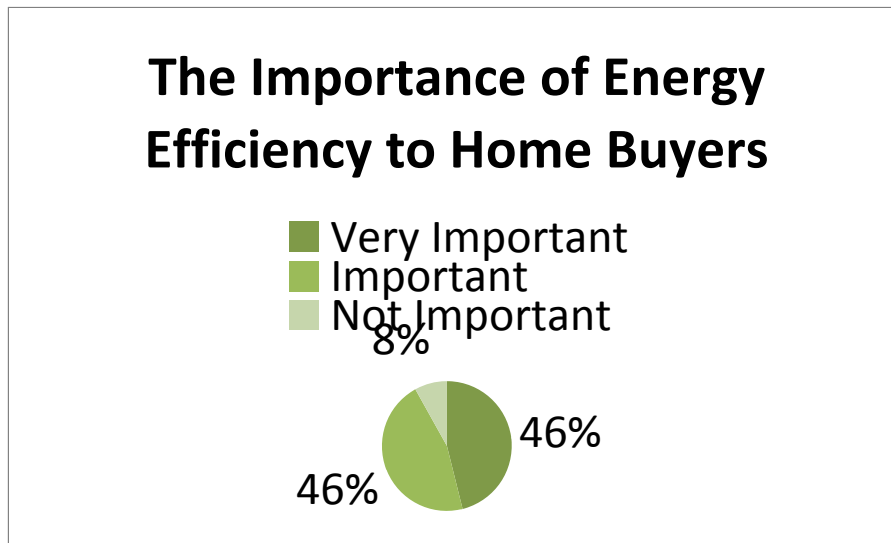
## Engineering/ House Overview

- Panels are guaranteed 25 years
- Only unobstructed southern exposure (flat roof facing any direction ok)
- Flat roof--No visibility of panels from street (Ok for historic permits)
- If you need a new roof, replace it beforehand
- Installation methods are proven, simple racks, maintains roof warranty.
- Protects Roof--withstands wind and rain
- Allows access to the roof, can be removed if needed.
- 2.28 KW GRID-TIED PHOTOVOLTAIC SYSTEM (Battery back-up option available at extra cost)
- PROVIDES 33% OF ELECTRICITY USED BY TYPICAL MOUNT PLEASANT HOME (Average 850kw month)
- Net Metering means that when you generate more than you use your meter runs backward, at night you use electricity off the grid.
- Area required for panels: 194 square feet (sf) in 48 sf modules for flexible installation– Four racks 9.8' by 5.2'
- Weight (of panels): 40 lbs per panel; 481 lbs total



## What if You Sell Your Home?

- Panels financed through home equity loan can be folded into the sale of the home.



Source: NAR 2007

- A Solar electric system raises home value by \$20,000 for every \$1,000 in annual energy savings. --Appraisal Journal 1998
- Our system at current electric rates would save about \$406/year.
- We can't guarantee the panels will raise the value of your home, but most experts agree it is likely to make your home more attractive to potential buyers, much the way a new roof or new furnace would be an attraction. Legislation is pending in a number of jurisdictions to require declaration or annual energy use in home sale disclosure documents. If this passes in DC it would make the home even more attractive to potential buyers.

# Mt. Pleasant Solar Coop

## Key Financial Statistics for MTP Coop Solar Project.

All numbers listed below are subject to change

Total installed cost (one-off installation)	\$25,080
Total installed cost (aggregate purchase – 50 houses; greater discounts possible with more houses)	\$20,235
Federal tax credit	\$2,000
DC grant program (\$3/W)	\$6,840
REC sales (lump sum) or REC sale (1 <sup>st</sup> year)	\$9,574 / \$1,193
30-year NPV @ 10%	\$4,245
Payback	7 years
1 <sup>st</sup> year energy cost savings	\$406
Estimated lifetime (30-year) cost savings	\$33,894

**NOTE:** The numbers represented in the table above are projections only. They represent the best guess of the Mt. Pleasant Solar Co-op given current information. Most of the variables modeled are stochastic in nature. Therefore the values shown are subject to change, and in all likelihood will change. The values are in no way guaranteed.

# Mt. Pleasant Solar Coop

Sign-Up Sheet

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Do You Own Your Home? Own  Rent  Other

What is the age of your roof? \_\_\_\_\_ Last time replaced /resurfaced? \_\_\_\_\_

Type of roof surface? \_\_\_\_\_

Describe roof (flat faces south, easy access, pitched etc)

\_\_\_\_\_

Is your roof free from shade or other obstructions? \_\_\_\_\_

Please attach or email [solarcoop@yahoo.com](mailto:solarcoop@yahoo.com) digital photo of roof if possible.

Based on the financial descriptions (attached) do you think you want financing to help pay for your solar panels? No financing needed  Home Equity loan would work for me  some other type of financing would be better (explain below) Please add questions or concerns \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Return Completed form to : Michael Sims/ 1814 Park Rd. NW/Wash. DC, 20010**

**202 744-8840 Mtsims2001@hotmail.com**

# Mt. Pleasant Solar Coop

[Date \_\_\_\_\_], 2008

[Name \_\_\_\_\_]

[Address \_\_\_\_\_]

\_\_\_\_\_]

Subject: Mt. Pleasant Solar Cooperative

Dear [NAME OF COOPERATIVE MEMBER \_\_\_\_\_],

This letter agreement ("Agreement") will evidence the mutual agreement between [\_\_\_\_\_] (the "Participant") and the Mount Pleasant Solar Cooperative, a corporation organized under the Cooperative Association Act of the District of Columbia (the "Cooperative") regarding activities (described below) that the Cooperative has proposed to take to facilitate (i) the installation of solar equipment on the Participant's roof, (ii) the arrangement of third party financing for such installation, (iii) the application by the Participant for a renewable energy grant pursuant to a new program currently being established by the District of Columbia Department of Energy, and (iv) contractual arrangements for (A) net metering by the local utility or the sale of excess electrical output produced by the solar equipment to be installed on the Participant's roof and (B) the sale of any renewable energy credits or related benefits associated with, the solar equipment to be installed on the Participant's roof (collectively referred to in this Agreement as the "Project"). The Participant and the Cooperative are sometimes referred to individually as "Party" and collectively as the "Parties."

1. Authorization for Cooperative to Undertake Certain Actions.

The Participant understands and agrees that the Cooperative will undertake the following activities described in paragraphs (a) – (d) (collectively referred to in this Agreement as the "Project Activities") below in connection with the Project. The Participant acknowledges and agrees that in undertaking the Project Activities the Cooperative is not acting as the Participant's agent and shall owe no fiduciary duties to the Participant or to any other member of the Cooperative.

(a) Application for District Grant. The Cooperative will assist the Participant in the preparation, and submission to the District of Columbia Department of Energy (the "DC DOE"), of an application for the District's renewable energy grant program (the "Grant Application"). As the program is currently under development, the Cooperative will advocate to make the grant program work as a significant source of funding for each member of the Cooperative and coordinate with the DC DOE to make the program as user friendly as possible. In addition, the Coop will advocate that the DC DOE design the

# Mt. Pleasant Solar Coop

program in a way that accommodates and benefits all members of the Cooperative, including the Participant, and

Allows the Cooperative to submit a single application covering each participating member of the Cooperative, including the Participant. The Participant shall provide such information and assistance as the Cooperative reasonably requests in connection with the preparation and filing of the Grant Application and in responding to any inquiries or requests from the Public Service Commission in connection with processing the Grant Application or in awarding a grant to the Cooperative or to the Participant. Once the grant program has been designed and implemented, the Participant and each other participating Cooperative member will receive a detailed package explaining the steps the Participant must take in order to apply for and receive the grant applicable to the Participant's renewable energy installation. It is likely that the grant money, if any, will be awarded after the installation process is complete and will require verification by the government of the District of Columbia.

(b) Financing Arrangements. The Cooperative will identify and approach potential lenders to discuss terms and conditions for home equity loans or other financing arrangements that the lender might provide directly to the Participant on an individual basis pursuant to agreements between the Participant and the lender. Although the loan amounts, interest rates and other terms and conditions under such financing arrangements will be established independently for the Participant and for each other member of the Cooperative, the Cooperative will endeavor to facilitate a common set of terms and conditions and other documentation for the Participant and each other member of the Cooperative.

(c) Solar Equipment Installation Agreement. The Cooperative will prepare a model agreement for the acquisition of solar equipment and installation services from a single vendor identified by the Cooperative. The Cooperative will endeavor to obtain favorable pricing and other terms and conditions based on the economies of scale afforded by multiple Cooperative members procuring such equipment and services from a single vendor using uniform documentation. In connection with such efforts, the Cooperative may negotiate certain terms and conditions in the model agreement with the solar equipment and services vendor, although the Participant, and not the Cooperative, would ultimately enter into the agreement with the vendor.

(d) Preparation of Model "REC" Agreement. The Cooperative will prepare a model agreement pursuant to which the Participant, as the owner of a rooftop solar installation, would have the right to sell to a third party (such as an electric utility or other energy service provider) products and other attributes associated with such rooftop solar installation, including but not limited to electrical output in excess of the Participant's household needs and renewable energy credits ("RECs") allocated to the Participant or to the solar installation. The Cooperative will also identify and approach potential counterparties who might be willing to enter into such an agreement with the Participant. The Cooperative will endeavor to obtain favorable pricing and other terms and conditions based on the economies of scale afforded by multiple Cooperative members contracting with a single counterparty using uniform documentation. In connection with such efforts, the Cooperative may negotiate certain

# Mt. Pleasant Solar Coop

terms and conditions in the model agreement with such counterparties, although the Participant, and not the Cooperative, would ultimately enter into the agreement with the counterparty.

2. Participant Responsibilities.

The Parties understand and agree that: (a) the Participant, and not the Cooperative, will enter into a contract with the company that will procure and install the solar equipment for the Participant's roof and that the Participant will be solely responsible for all payments and all other responsibilities of the buyer or customer there under; (b) the Participant, and not the Cooperative, will be solely responsible for maintaining the solar equipment during its useful life and removing such equipment thereafter (which it may provide for by entering into a contract with the a company to perform such services) and that the Participant, and not the Cooperative, will be solely responsible for (i) any costs associated with such operation, maintenance and removal, (ii) any damage to the solar equipment howsoever occurring or (iii) any damage, howsoever occurring, caused by the solar equipment; (c) the Participant, and not the Cooperative, will be solely responsible for qualifying for, entering into, and complying with any financing documents with a lender relating to the Project and will be responsible for all payments and all other responsibilities of the borrower thereunder; and (d) the Participant, and not the Cooperative, will be solely responsible for entering into the renewable energy credit agreement with the counterparty and for performing all of its respective obligations thereunder.

3. Effectiveness.

This Agreement will become effective upon the date that each Party has executed this Agreement.

4. Entire Agreement; Amendments.

This Agreement constitutes the entire agreement of the Parties relating to the subject matter hereof and supersedes all prior discussions, agreements or understandings, whether oral or written, relating to such subject matter. Any amendment of this Agreement must be in writing and signed by both Parties.

5. Governing Law; Consent to Jurisdiction.

THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE DISTRICT OF COLUMBIA, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES. THE PARTIES HERETO AGREE THAT ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR IN ANY MANNER RELATING TO THIS AGREEMENT SHALL BE BROUGHT IN ANY COURT OF THE DISTRICT OF COLUMBIA. THE PARTIES HERETO CONSENT AND SUBMIT TO PERSONAL JURISDICTION OF ANY SUCH COURT IN ANY ACTION OR PROCEEDING.

6. Relationship of Parties.

The Parties shall not be deemed to be in a relationship as partners or joint venturers by virtue of this Agreement, nor shall either Party be deemed an agent, representative, trustee, fiduciary or guarantor of the other. Neither Party shall have any authority to bind the other to any agreement.

# Mt. Pleasant Solar Coop

7. Assignment.

This Agreement may not be assigned by either Party without the prior written consent of the other Party.

8. Disclosure of this Agreement.

The Participant consents to the Cooperative sharing copies of this Agreement with third parties in connection with undertaking the Project Activities.

If the provisions of this Agreement correctly set forth our mutual agreement, please execute both originals of this Agreement in the space provided below, retain one fully-executed original for your file, and return the other original to the undersigned. This Agreement may be executed by facsimile and in counterparts, and all such counterparts together will constitute one agreement.

Very truly yours,

MOUNT PLEASANT SOLAR COOPERATIVE

By: \_\_\_\_\_

Name:

Title:

Acknowledged, Agreed to and Accepted:

[NAME]

\_\_\_\_\_  
Date:

Return Completed Signed Agreement to:

Michael Sims

1814 Park Rd. NW

Washington, DC 20010

202 744-8840 Mtsims2001@hotmail.com