



**Statement of the Connecticut Green Bank supporting Senate Bill 1121
 AAC THE OBLIGATIONS OF AN ASSOCIATION AND UNIT OWNERS IN A COMMON
 INTEREST OWNERSHIP COMMUNITY**

**Judiciary Committee public hearing
 March 25, 2015**

Background

As the nation’s first green bank, the Connecticut Green Bank (Green Bank)¹ leverages the limited electric ratepayer resources it receives to attract multiples of private investment to scale up clean energy deployment in Connecticut. As a result of efforts since inception of the Green Bank, we are deploying more clean energy in our state than ever before – 108.3 megawatts (MW) in approved, closed or completed renewable and energy efficiency projects for a total investment of over \$600 million (see Table 1). In fact, the Green Bank is deploying twice as much clean energy in the last three years through financing as its predecessor the Connecticut Clean Energy Fund deployed in the previous eleven years through grants and subsidies.

Table 1. Green Bank model deploying more clean energy faster and more responsibly

| | FY 2000-FY 2011 (CCEF) | FY 2012-FY 2015(Q2) (CT Green Bank) |
|--------------------------|-----------------------------------|--|
| Model | Subsidy | Financing |
| Years | 11.0 | 3.5 |
| Energy (MW) | 43.1 | 108.3 |
| Total Investment (\$ MM) | \$349.2 | \$608.3 |

Connecticut’s residents, businesses and institutions now have easier access to affordable capital to finance clean energy projects. The Green Bank scales up clean energy and plays an essential role in reducing the costs of clean energy investment, increasing private capital investment, and lowering costs to consumers. The Green Bank looks forward to supporting the legislature’s and Governor’s vision of cleaner, cheaper and more reliable energy sources for Connecticut – while creating jobs and supporting local economic development.

Residential Rooftop Solar PV

Under Public Act 11-80 (CGS §§ 16-245ff), the legislature established a target of deploying a minimum of 30 MW of new residential solar PV in Connecticut by 2022. As a result of Green

¹ Formerly known as the Clean Energy Finance and Investment Authority.

Bank efforts, nearly 60 MW of new residential solar PV is being deployed – doubling the legislative target eight years ahead of schedule and well under budget. Installed costs have been reduced by nearly 30 percent and incentives by nearly 60 percent, and installed capacity has increased by 2,000 percent.² The market for rooftop solar PV has increased from \$10 million of investment in 2011 to over \$160 million of investment in 2014 – and more private investment in lease³ and loan⁴ financing for rooftop solar PV is occurring than ever before.⁵

The Green Bank has overseen doubled market growth each year since 2012. With more volume and consumer interest anticipated, there is a continued need for forward-thinking policy around residential solar.

The Connecticut Green Bank supports the aim of greater solar access. Homeowner or condominium associations may arbitrarily remove the option to go solar that other electric rate-paying homeowners benefit from, while also limiting potential solar PV customers that would otherwise benefit from electricity savings while helping the state meet its clean energy goals. Given the state's commitment to clean energy, removing barriers to solar PV installation is particularly important at a time when the state will be considering Governor Malloy's vision of 300MW of residential solar PV in Connecticut.

Solar rights, broadly defined, are the rights to access and harness sunlight.⁶ Solar rights are defined and protected (or not) with respect to installation and use of solar energy systems in two primary aspects:

- Assuring adequate access to direct sunlight for a solar energy system (either active or passive) including the ability of one property to continue to receive sunlight across property lines without obstruction.
- Protecting the ability to install a solar energy system on residential or commercial property that is subject to restrictions including private restrictions (i.e., covenants, conditions, restrictions, bylaws, condominium declarations) as well as local government

² Installed costs: \$5.35/W (2011) to \$3.83/W (2015); Incentives: \$1.68/W (2011) to \$0.71/W (2015); Deployment: 1.7 MW (2011) to 37.0 MW (2014); Investment: \$8.4 MM (2011) to \$160.6 MM (2014). Approved, in progress, and completed projects.

³ *Connecticut's Green Bank: A Model for Public-Private Renewables Partnerships?* by Conway Irwin of Greentech Media (July 8, 2013)

⁴ *Will Crowdsourced Loans for Rooftop Solar Overtake Third-Party Ownership* by Herman Trabish of Greentech Media (February 19, 2014) and *\$200 Million More Flows to Residential Solar Loans through Sungage and Mosaic* by Eric Wesoff of Greentech Media (October 20, 2014)

⁵ It should be noted that the Connecticut Green Bank attracted \$50 MM of private capital to support the CT Solar Lease – including \$23 MM investment from US Bank as a tax equity investor and a \$27 MM investment from a syndicate of local lenders: First Niagara Bank, Webster Bank, Liberty Bank, and Peoples United Bank. It should also be noted that the Connecticut Green Bank enabled the first \$5 MM crowd-funded solar loan product with its partners Sungage Financial and Mosaic, which recently resulted in a \$100 MM commitment from the Digital Federal Credit Union and Sungage Financial to provide private capital to finance programs throughout the Northeast region.

⁶ Sara C. Bronin, Professor of Law and Faculty Director, Center for Energy and Environmental Law, University of Connecticut School of Law: (1) Solar Rights, *Boston University Law Review*, 2009, <http://ssrn.com/abstract=1479024>, (2) Modern Lights, *University of Colorado Law Review*, 2009, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1479042.

ordinances and building codes.

Solar rights are not protected at the federal level. However, 40 U.S. states have solar rights laws in the form of solar easement and/or solar rights provisions.⁷ Connecticut is one of a minority of U.S. states that does not protect the right to light.⁸ Discussion about solar rights in the Connecticut context and examples of solar rights laws in other states is provided in a final project report prepared under a U.S. Department of Energy SunShot Initiative Rooftop Solar Challenge funding award.⁹ As CT's solar PV market continues to grow and mature, **SB-1121 would be a step in the right direction toward protecting solar rights for all current and future homeowners and ratepayers in Connecticut.**

⁷ A Comprehensive Review of Solar Access Law in the United States, Suggested Standards for a Model Statute and Ordinance, Colleen McCann Kettles, Florida Solar Energy Research and Education. Report: solarabcs.org/about/publications/reports/solar-access/pdfs/Solaraccess-full.pdf.

⁸ dsireusa.org/solar/solarpolicyguide/?id=19, Database of State Incentives for Renewables & Efficiency (DSIRE) Connecticut General Statute 47-25. Right to light not gained by adverse possession. No occupant of real estate may acquire, by adverse occupation, the right to keep, sustain or enjoy any window or light, so as to prevent adjoining premises from erecting and maintaining any building thereon.

⁹ <http://energizect.com/sunrisene>, and http://energizect.com/sites/default/files/uploads/SunShot%20Final%20Project%20Report_0.pdf