

# Solar Incentive Programs in Connecticut and Neighboring States

By: Lee Hansen, Chief Legislative Analyst  
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## Issue

This report provides information about the solar incentive programs available in Connecticut and its neighboring states.

## Solar Incentive Programs

Connecticut and its neighboring states offer numerous financial incentive programs and regulatory policies to encourage greater adoption and use of solar technologies. The tables below list these programs and policies as presented in the NC Clean Energy Technology Center's Database of State Incentives for Renewables and Efficiency ([DSIRE](#)). The tables show financial incentive programs for non-residential customers (Table 1) and residential customers (Table 2) and regulatory policies for non-residential customers (Table 3) and residential customers (Table 4). Each table is further organized by its incentive or program type, as categorized in DSIRE. The name of each program or policy in the table is hyperlinked to DSIRE's additional information about it.

**Table 1: Non-Residential Solar Financial Incentive Programs**

| Incentive Type          | Connecticut | Massachusetts  | New York | Rhode Island |
|-------------------------|-------------|--|----------|--------------|
| Corporate Tax Deduction |             | <a href="#">Excise Tax Deduction for Solar or Wind Powered Systems</a> |          |              |
| Corporate Tax Exemption |             | <a href="#">Excise Tax Exemption for Solar or Wind Powered Systems</a> |          |              |

Table 1 (continued)

| Incentive Type                                  | Connecticut   | Massachusetts   | New York   | Rhode Island  |
|---|---|---|--|---|
| Feed-in Tariff                                  |   |   | <a href="#">PSEG Long Island-Commercial Solar PV Feed-in Tariff</a>            |   |
| Grant Program                                   |   | <a href="#">Green Communities Grant Program</a>   | <a href="#">NY-Sun Commercial and Industrial Incentive Program</a>             | <a href="#">Agricultural Energy Program</a><br><br><a href="#">Commercial Scale Renewable Energy Grants (Commerce RI)</a><br><br><a href="#">Small Scale Solar Grants (Commerce RI)</a> |
| Green Building Incentive                        | <a href="#">Connecticut Green Energy Building Solutions</a>                       |   | <a href="#">City of Riverhead - Energy Conservation Device Permitting Fees</a> |   |
| Industry Recruitment/Support                    | <a href="#">Sales and Use Taxes for Items Used in Renewable Energy Industries</a> | <a href="#">Alternative Energy and Energy Conservation Patent Income Tax Deduction (Corporate)</a>            |  |   |
| Loan Program                                    | <a href="#">Low-Interest Loans for Customer-Side Distributed Resources</a>        | <a href="#">Holyoke Gas &amp; Electric - Commercial Energy Conservation Loan Program</a>                      | <a href="#">NY-Sun Loan Program</a>  |   |
| Other Incentive                                 |   |   | <a href="#">NY Green Bank</a>  |   |
| PACE (Property Assessed Clean Energy) Financing | <a href="#">Local Option - Commercial PACE Financing</a>                          | <a href="#">Local Option - Energy Revolving Loan Fund</a><br><br><a href="#">PACE Massachusetts Financing</a> |  | <a href="#">Rhode Island C-PACE Program</a>   |
| Performance-Based Incentive                     |   | <a href="#">Solar Massachusetts Renewable Target (SMART) Program</a>  |  | <a href="#">Renewable Energy Growth Program</a>   |

Table 1 (continued)

| Incentive Type         | Connecticut   | Massachusetts  | New York   | Rhode Island  |
|------------------------|---|--|--|---|
| Property Tax Incentive | <a href="#">Local Option - Property Tax Exemption for Renewable Energy Systems</a><br><br><a href="#">Property Tax Exemption for Renewable Energy Systems</a> | <a href="#">Renewable Energy Property Tax Exemption</a>  | <a href="#">Local Option - Real Property Tax Exemption for Green Buildings</a><br><br><a href="#">Local Option - Solar, Wind &amp; Biomass Energy Systems Exemption</a><br><br><a href="#">New York City - Property Tax Abatement for Photovoltaic (PV) and Energy Storage Equipment</a> | <a href="#">Local Option - Property Tax Exemption for Renewable Energy Systems</a><br><br><a href="#">Property Tax Exemption for Renewable Energy Equipment</a> |
| Rebate Program         |   | <a href="#">Commercial Solar Hot Water Rebate Program</a><br><br><a href="#">Concord Municipal Light Plant - Solar Photovoltaic Rebate Program</a><br><br><a href="#">Hudson Light &amp; Power - Photovoltaic Incentive Program</a><br><br><a href="#">Reading Municipal Light Department - Business Energy Efficiency Rebate Program</a><br><br><a href="#">Residential &amp; Small-Scale Solar Hot Water Program</a> | <a href="#">NY-Sun PV Incentive Program (Residential, Low-Income, and Small Business)</a>  |   |

Table 1 (continued)

| Incentive Type                        | Connecticut  | Massachusetts   | New York  | Rhode Island  |
|---------------------------------------|--|---|---|---|
| Sales Tax Incentive                   | <a href="#">Sales and Use Tax Exemption for Solar and Geothermal Systems</a>   |   | <a href="#">Local Option - Solar Sales Tax Exemption</a><br><br><a href="#">Solar Sales Tax Exemption</a> | <a href="#">Renewable Energy Products Sales and Use Tax Exemption</a> |
| Solar Renewable Energy Credit Program | <a href="#">Eversource - Small ZREC Tariff</a><br><br><a href="#">Eversource - ZREC and LREC Long-Term Contracts</a><br><br><a href="#">The United Illuminating Company - Small ZREC Tariff</a><br><br><a href="#">The United Illuminating Company - ZREC and LREC Long-Term Contracts</a> | <a href="#">Solar Renewable Energy Certificates (SREC-II)</a> |   |   |

Table 2: Residential Solar Financial Incentive Programs

| Incentive Type           | Connecticut   | Massachusetts | New York   | Rhode Island   |
|--------------------------|---|---------------|--|--|
| Grant Program            |   |               |  | <a href="#">Commercial Scale Renewable Energy Grants (Commerce RI)</a><br><br><a href="#">Small Scale Solar Grants (Commerce RI)</a> |
| Green Building Incentive | <a href="#">Connecticut Green Energy Building Solutions</a> |               | <a href="#">City of Riverhead - Energy Conservation Device Permitting Fees</a> |  |

Table 2 (continued)

| Incentive Type                | Connecticut  | Massachusetts   | New York   | Rhode Island                                    |
|-------------------------------|--|---|--|---|
| Industry Recruitment/ Support |  | <a href="#">Alternative Energy and Energy Conservation Patent Income Tax Deduction (Personal)</a>   |  |   |
| Loan Program                  | <a href="#">Energy Conservation Loan</a><br><br><a href="#">Low-Income Multifamily Energy Loan Program</a><br><br><a href="#">Multifamily Navigator Pre-Development Energy Loan Program</a><br><br><a href="#">Multifamily Sherpa Pre-Development Energy Loan Program</a><br><br><a href="#">Smart-E loans</a> | <a href="#">Holyoke Gas &amp; Electric - Commercial Energy Conservation Loan Program</a><br><br><a href="#">Holyoke Gas &amp; Electric - Residential Energy Conservation Loan Program</a><br><br><a href="#">Mass Save - HEAT Loan Program</a><br><br><a href="#">Mass Solar Loan Program</a> | <a href="#">Home Performance With ENERGY STAR</a><br><br><a href="#">NY-Sun Loan Program</a> |   |
| Other Incentive               |  |   | <a href="#">NY Green Bank</a>  |   |
| PACE Financing                | <a href="#">Local Option - Commercial PACE Financing</a><br><br><a href="#">Local Option - Residential Sustainable Energy Program</a>  | <a href="#">Local Option - Energy Revolving Loan Fund</a><br><br><a href="#">PACE Massachusetts Financing</a>   | <a href="#">State of NY Commercial PACE Financing Program</a>                                | <a href="#">Rhode Island C-PACE Program</a>     |
| Performance-Based Incentive   |  | <a href="#">Solar Massachusetts Renewable Target (SMART) Program</a>  |  | <a href="#">Renewable Energy Growth Program</a> |
| Personal Tax Credit           |  | <a href="#">Residential Renewable Energy Income Tax Credit</a>  | <a href="#">Residential Solar Tax Credit</a>   |   |

Table 2 (continued)

| Incentive Type         | Connecticut   | Massachusetts  | New York  | Rhode Island  |
|------------------------|---|--|---|---|
| Property Tax Incentive | <a href="#">Local Option - Property Tax Exemption for Renewable Energy Systems</a><br><br><a href="#">Property Tax Exemption for Renewable Energy Systems</a> | <a href="#">Renewable Energy Property Tax Exemption</a>  | <a href="#">Energy Conservation Improvements Property Tax Exemption</a><br><br><a href="#">Local Option - Real Property Tax Exemption for Green Buildings</a><br><br><a href="#">Local Option - Solar, Wind &amp; Biomass Energy Systems Exemption</a><br><br><a href="#">New York City - Property Tax Abatement for Photovoltaic (PV) and Energy Storage Equipment</a> | <a href="#">Local Option - Property Tax Exemption for Renewable Energy Systems</a><br><br><a href="#">Property Tax Exemption for Renewable Energy Equipment</a> |
| Rebate Program         | <a href="#">Residential Solar Investment Program</a>  | <a href="#">Cape Light Compact-Residential Energy Efficiency Rebate Program</a><br><br><a href="#">Chicopee Electric Light - Residential Solar Rebate Program</a><br><br><a href="#">Commercial Solar Hot Water Rebate Program</a><br><br><a href="#">Concord Municipal Light Plant - Solar Photovoltaic Rebate Program</a><br><br><a href="#">Hudson Light &amp; Power - Photovoltaic Incentive Program</a> | <a href="#">NY-Sun PV Incentive Program (Residential, Low-Income, and Small Business)</a>   |   |

Table 2 (continued)

| Incentive Type                        | Connecticut  | Massachusetts   | New York   | Rhode Island  |
|---------------------------------------|--|---|--|---|
| Rebate Program<br>(continued)         |  | <a href="#">MuniHELPS - Offered by 17 Utilities through the MMWEC</a><br><br><a href="#">Reading Municipal Light Department - Residential Renewable Energy Rebates</a><br><br><a href="#">Residential &amp; Small-Scale Solar Hot Water Program</a><br><br><a href="#">Taunton Municipal Lighting Plant - Residential PV Rebate Program</a> |  |   |
| Sales Tax Incentive                   | <a href="#">Sales and Use Tax Exemption for Solar and Geothermal Systems</a>   | <a href="#">Renewable Energy Equipment Sales Tax Exemption</a>  | <a href="#">Local Option - Solar Sales Tax Exemption</a><br><br><a href="#">New York City - Residential Solar Sales Tax Exemption</a><br><br><a href="#">Solar Sales Tax Exemption</a> | <a href="#">Renewable Energy Products Sales and Use Tax Exemption</a> |
| Solar Renewable Energy Credit Program | <a href="#">Eversource - Small ZREC Tariff</a><br><br><a href="#">Eversource - ZREC and LREC Long-Term Contracts</a><br><br><a href="#">The United Illuminating Company - Small ZREC Tariff</a><br><br><a href="#">The United Illuminating Company - ZREC and LREC Long-Term Contracts</a> | <a href="#">Solar Renewable Energy Certificates (SREC-II)</a>   |  |   |

**Table 3: Non-Residential Solar Regulatory Policies**

| Policy Type                           | Connecticut  | Massachusetts  | New York  | Rhode Island  |
|---------------------------------------|--|--|---|---|
| Building Energy Code                  | <a href="#">Building Energy Code</a>   |  |   |   |
| Energy Standards for Public Buildings | <a href="#">Energy Efficiency Requirements for State Government</a>                      | <a href="#">Energy Reduction Plan for State Buildings</a>  | <a href="#">New York City - Green Building Requirements for Municipal Buildings</a>   | <a href="#">Green Building Standards for State Facilities</a> |
| Green Power Purchasing                | <a href="#">Connecticut Green Power Purchase Plan</a>                                    | <a href="#">Massachusetts Green Power Purchasing Commitment</a>  |   |   |
| Interconnection                       | <a href="#">Interconnection Standards</a>  | <a href="#">Interconnection Standards</a>  | <a href="#">Interconnection Standards</a>   | <a href="#">Interconnection Guidelines</a>                    |
| Net Metering                          | <a href="#">Net Metering</a>   | <a href="#">Net Metering</a>   | <a href="#">Net Metering</a><br><br><a href="#">PSEG Long Island - Net Metering</a>   | <a href="#">Net Metering</a>                                  |
| Public Benefits Fund                  | <a href="#">Connecticut Clean Energy Fund</a>  | <a href="#">Renewable Energy Trust Fund</a>  | <a href="#">Clean Energy Fund (CEF)</a><br><br><a href="#">System Benefits Charge</a> | <a href="#">Rhode Island Renewable Energy Fund (RIREF)</a>    |
| Renewables Portfolio Standard         | <a href="#">Renewables Portfolio Standard</a>  |  | <a href="#">PSEG Long Island - Renewable Electricity Goal</a>                         |   |
| Solar/Wind Access Policy              |  | <a href="#">Massachusetts Solar Easements &amp; Rights Laws</a>  | <a href="#">New York Solar Easements &amp; Solar Rights Laws</a>                      | <a href="#">Rhode Island Solar Easement Laws</a>              |
| Solar/Wind Permitting Standards       | <a href="#">Local Option - Building Permit Fee Waivers for Renewable Energy Projects</a> | <a href="#">Model As-of Right Zoning Ordinance or Bylaw: Allowing Use of Large-Scale Solar Energy Facilities</a> |   |   |

**Table 4: Residential Solar Regulatory Policies**

| Policy Type          | Connecticut                               | Massachusetts                             | New York  | Rhode Island                               |
|----------------------|---|---|---|--|
| Building Energy Code | <a href="#">Building Energy Code</a>      |   |   |  |
| Interconnection      | <a href="#">Interconnection Standards</a> | <a href="#">Interconnection Standards</a> | <a href="#">Interconnection Standards</a>   | <a href="#">Interconnection Guidelines</a> |
| Net Metering         | <a href="#">Net Metering</a>              | <a href="#">Net Metering</a>              | <a href="#">Net Metering</a><br><br><a href="#">PSEG Long Island - Net Metering</a> | <a href="#">Net Metering</a>               |



**Table 4 (continued)**

| <b>Policy Type</b>              | <b>Connecticut</b>   | <b>Massachusetts</b>  | <b>New York</b>   | <b>Rhode Island</b>  |
|---------------------------------|--|---|---|--|
| Public Benefits Fund            | <a href="#">Connecticut Clean Energy Fund</a>  | <a href="#">Renewable Energy Trust Fund</a>                     | <a href="#">Clean Energy Fund (CEF)</a><br><br><a href="#">System Benefits Charge</a> | <a href="#">Rhode Island Renewable Energy Fund (RIREF)</a> |
| Solar/Wind Access Policy        |  | <a href="#">Massachusetts Solar Easements &amp; Rights Laws</a> | <a href="#">New York Solar Easements &amp; Solar Rights Laws</a>                      | <a href="#">Rhode Island Solar Easement Laws</a>           |
| Solar/Wind Permitting Standards | <a href="#">Local Option - Building Permit Fee Waivers for Renewable Energy Projects</a> |   |   |  |

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