

Massachusetts State Solar Policies Primer

Massachusetts is one of the top states in the country to install solar. This is greatly due to their policies and incentives that make it easy and profitable to install solar systems in the state. *



Net Metering- Massachusetts offers an amazing policy for solar installations in net metering. This is offered for most systems, excluding very large installations. As explained in the Solar 101 Primer, net metering allows you to drastically lower your electric bills. Firstly, you use all energy you generate for free. Then, any extra energy you generate will be sent back to your utility company, and you will get a credit for it. That credit can then be used towards the cost of any energy you pull from the grid, negating that cost. Any excess energy in your account at the end of the month is called Net Excess Generation (NEG), which is stored in your account as a credit until used. For systems over 60 kW, this credit has a value of 60% of its retail price, while systems under 60kW keep credits worth 100% retail value between months. (These values can vary; it depends on your provider! Their site will have information on their rules for your area.) You can even assign (sell) your NEG to other meters in your utility's service area! This policy allows you to easily save large sums of money every month.

SMART- MA is currently in the process of transitioning to a new program called the "Solar Massachusetts Renewable Target", or SMART program. This new program offers different incentives than the old program, but still offers large savings to new solar installations. This is not available in all areas, however, depending on utility. This incentive is a per kWh payment that you will receive, based solely on how much clean solar energy you generate. The more you generate, the more you get paid! This rate varies based on the project size, plus potential adders based on project location and other factors. The program is assumed to be enacted sometime during summer 2018, so any new projects will function under this project.

Massachusetts Personal Income Tax Credit- This credit is available for residential system installations. You can receive 15% of your system's cost as a tax credit at the end of the year, up to \$1,000!

Tax Exemptions- In addition, there are also tax exemption incentives in Massachusetts, including both sales and property taxes. This means that any equipment directly related to generating solar energy is exempt from sales tax. In addition, any solar installation that is generating energy for a taxable property is exempt from property tax for 20 years, so your property value will go up, but your property tax will not!

In addition to these incentives, you will be able to receive the federal incentives as well!

*All incentives as of 6/7/18. All are subject to change by policymakers or utilities at any time.