

2007 Utility Incentives for Arizona Utility Customers

This document applies to customers located in the service territories of the following utilities:

- Arizona Public Service
- Salt River Project
- Tucson Electric Power
- UniSource Energy Services (formerly Citizens)
- AEPCO Member Cooperatives

Note: These programs have limited funding and are available on a “first come, first served” basis and a reservation process exists for each one. Contact our office for assistance in reserving your funds.

Arizona Public Service – EPS Credit Purchase Program

Applies To: Residential and commercial customers of Arizona Public Service Co.
System Type: All Systems (on- and off-grid)
Amount: \$3.00 per Watt-DC for grid-tied
\$2.00 per Watt-DC for off-grid

APS customers can receive a rebate of \$3 for each watt of rated solar power (DC watts) installed in a grid-tied application and \$2 for each watt installed in an off-grid application. You must be an existing Arizona Public Service Co. customer or your property must be located in APS service territory. A licensed electrical contractor must install the system in order to qualify for the incentive. Customer receives payment directly from APS once the application has been processed and approved. Funding is limited and a reservation process is in place to guarantee funds for those customers pursuing projects.

Salt River Project – Solar Incentive Program

Applies To: Residential and commercial customers of the Salt River Project
System Type: All Systems (on-grid only)
Amount: \$3.00 per Watt-DC up to a max of \$30,000 per system

SRP customers can receive a rebate of \$3 for each watt of rated solar power (DC watts) installed in a grid-tied application (up to a maximum of \$30,000 per system). You must be an existing SRP customer. A licensed electrical contractor must install the system in order to qualify for the incentive. Customer receives payment directly from SRP once the application has been processed and approved. Funding is limited and a reservation process is in place to guarantee funds for those customers pursuing projects.

Tucson Electric Power – SunShare Program

Applies To: Residential and commercial customers of Tucson Electric Power Co.
System Type: Grid-connected systems only – no battery back-up
Amount: \$3.00 per Watt-DC up to 15 kW-AC for grid-tied only

TEP customers can receive a rebate of \$3.00 for each watt of rated solar power (DC watts) installed in a grid-tied application for systems up to 10 kW-AC in size (15 kW-DC) and up to 100 kW-AC in size for commercial systems. You must be an existing TEP customer. Customer receives payment directly from TEP once the application has been processed and approved. Certain conditions apply and a reservation process is in place for Option 3.

UniSource Energy Services – SunShare Program

Applies To: Residential and commercial customers of UniSource Energy Services
System Type: Grid-connected systems only – no battery back-up
Amount: \$3.0 per Watt-DC up to 10 kW-AC for grid-tied only

USES customers can receive a rebate of \$2.70 for each watt of rated solar power (DC watts) installed in a grid-tied application for systems up to 10 kW-AC in size (15 kW-DC). You must be an existing USES customer. Customer receives payment directly from USES once the application has been processed and approved. Certain conditions apply and a reservation process is in place for Option 3.

AEPCO Co-ops (TRICO, SSVEC and more) – SunWatts Program

Applies To: Residential and commercial customers of Co-ops under the AEPCO partnership
System Type: All Systems (on- and off-grid)
Amount: \$4.00 per Watt-DC grid-tied; up to 2 kW-DC for residential / up to 5 kW-DC for commercial
\$4.00 per Watt-DC; up to 2 kW-DC for off-grid

Customers can receive a rebate of \$4 for each watt of rated solar power (DC watts) installed in a grid-tied application or \$4 for each watt installed in an off-grid application. You must be an existing customer or your property must be located in AEPCO member service territory. A licensed electrical contractor must install the system in order to qualify for the incentive. Customer receives payment directly from Co-op once the application has been processed and approved. Certain conditions apply.

Government Incentives for Arizona Residential Utility Customers

US – Income Tax Credit

Applies To: Retail sale of solar-electric systems
System Type: Residential or Commercial on- and off-grid
Amount: 30% of system cost; \$2,000 maximum for residential; one-time

The US Government has an income tax credit for residents and businesses that install a photovoltaic power system on their property. This credit applies to both on- and off-grid installations, and amounts to 30% of the system price, with a \$2,000 cap on residential projects. This is a one-time tax credit and restricts the homeowner for additional credits for solar purchases made for the same residence in subsequent years.

State of Arizona – Personal Income Tax Credit

Applies To: Retail sale of solar-electric systems used in residential applications
System Type: Residential or Commercial on- and off-grid
Amount: 25% of system cost; \$1,000 maximum for residential, \$25,000 maximum for commercial; one-time

Arizona has a personal income tax credit for residents that install a photovoltaic power system on their property. This credit applies to both on- and off-grid residences and businesses, and amounts to 25% of the system price or \$1,000, whichever is less for residential systems, and 25% or \$25,000 for businesses, whichever is less. This is a one-time tax credit and restricts the owner for additional credits for solar purchases made for the same property in subsequent years.

State of Arizona – Sales Tax Exemption

The expenditures on the construction of a solar electric power system is exempt from Arizona State & County Sales Tax. The remaining balance is taxed at the standard rate for contracting services. Note: Municipalities do not exempt solar electric power systems from sales tax.