



Questions from Rate Advisory Committee Meetings



Question asked by: Eloisa Portillo-Morales

Date question asked: June 10, 2021

Date question answered: October 18, 2021

General

(CPS Energy & Industry)

Question: In terms of the solar programs, where is the funding going – is it going to a third party or to individuals directly? Who is taking advantage of these solar programs? Who is benefiting and who is not able to participate?

Answer:

Solar rebates are available to all CPS Energy residential and commercial customers who choose to install their own privately-owned system. The residential rebate is \$2,500 per system. The commercial rebate is based on the size of the system with the average commercial rebate in FY 2021 being \$18,000 per system.

The CPS Energy solar rebate is paid directly to customers. While the rebate belongs to the customer, they have the option to assign the rebate to their solar contractor, which can be used to help reduce the upfront cost of the system.

Most installed systems are residential. In FY 2021, approximately 99% of the solar rebates went to residential customers and 1% to commercial customers.

Installing a solar system requires an upfront cash investment, which can be a barrier to participation for customers with limited access to cash or credit. The average cost for a residential system in FY 2021 was approximately \$30,000. The rooftop must also be in good condition and free of shading from trees which can limit the output from the solar system.

In 2019, we launched a community solar program as an effort to provide a lower entry point for going solar. The Big Sun Community Solar program, which was fully-subscribed, made it possible for more customers to participate in solar. Customers were able to purchase as few as one panel at a cost of \$876. This solar offering made it possible for customers to participate in solar without the traditional need for a large upfront capital investment.



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The information below shows solar rebates paid by City Council district for FY 2010 to FY 2020.

