

Solar Incentives in WA State

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Federal:

30% tax credit for systems brought on line in 2006, and 2007 with a cap of \$2,000 for homes and no cap for businesses. The credit may be used in both years and solar hot water systems are also eligible. You could get \$2,000 for a **PV** (solar electric) system each year AND \$2,000 for a hot water system each year. Starting with a small system of each and adding to them makes good sense.

Green Tags:

Earn \$.05/kWh for everything your PV system produces for the next 5 years by selling your system's environmental attributes (bragging rights), as green tags, to Cascade Solar Consulting. www.cascadesolar.com for more info.

State: www.northwestsolarcenter.org for more details

Net Metering requires the utilities to allow you to hook up to their grid, with your solar or wind system, and turn your meter backwards up to the amount of electricity you use on an annual basis. Summer credit can be used in the dark winter months. Every time rates go up, so does the value of your PV system and its electricity.

Sales Tax Exemption for the PV equipment and its installation, until 2011. Solar Hot Water Systems are also exempt from sales tax starting July 1st 2006.

Production Incentive Payments

Your Utility will pay you \$.15/kWh for every kWh your grid-tied PV system produces from 7/1/05-7/1/14. This is voluntary for the utilities and the big ones are all on board. The money comes off of their state utility tax, so for them it's a matter of pay their customers or pay the state. If you buy a voltage inverter manufactured in state the \$.15 is boosted to \$.18/kWh. If you buy panels made in WA you can add \$.36/kWh to the .15 or \$.18/kWh.

The hitch here is that there are currently no panels made in WA. But there will be within 2-3 years based on SB5111, which gives B&O tax breaks to a company that builds a PV mfg. plant in WA. A few companies are looking at WA seriously, as a place to site a new PV panel manufacturing plant, and 2 are actively developing right now. Stay tuned.