# RESIDENTIAL SOLAR IN WISCONSIN

JANUARY 2020

## SOLAR POWER IS AFFORDABLE AND COST EFFECTIVE

Solar power for your home is an affordable option for many Wisconsin households. The costs of solar systems have dropped over 70% in the last decade! Solar systems can be sized to offset most or all of the electricity consumed at your house. Declining costs, coupled with federal tax credits and state incentives, have enabled solar energy to become affordable and cost effective all across Wisconsin.

## TODAY'S SOLAR ECONOMICS

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|---|---|
| Installed cost of an average-size 5 kW residential solar electric system (before incentives and tax credits) | **$15,000** |
| Focus on Energy incentive | ***-$1,500*** |
| 26% federal tax credit on remaining system cost | ***-$3,510*** |
| Out-of-pocket cost of an average 5 kW residential solar electric system | **$9,990** |

## EXPECTED ANNUAL SAVINGS FROM AN AVERAGE 5 KW RESIDENTIAL SOLAR ELECTRIC SYSTEM

For a household paying 10 cents/kWh (WPS, some municipals), the savings should be about $600.

For a household paying 12 cents/kWh (Alliant, Xcel), the savings should be about $720.

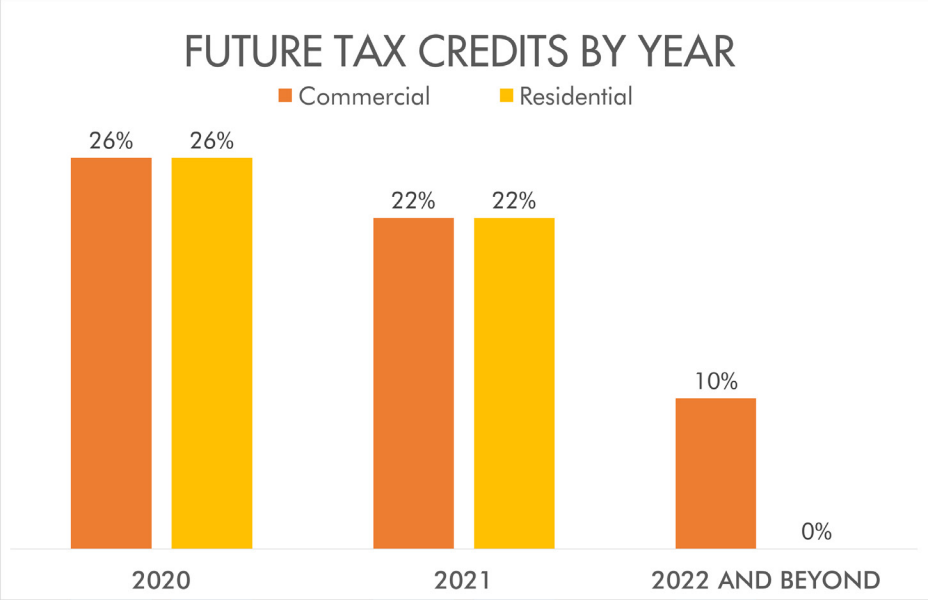
For a household paying 13.5 cents/kWh (MGE, We Energies), the savings should be about $810.

Solar panels installed today should last 40 years or more with only a slight degradation (0.5%) in panel output every year. This means that new panels installed today will still produce 90% of their original power 20 years from now.

# FOCUS ON ENERGY SOLAR INCENTIVES AVAILABLE IN 2020

In 2020, Focus on Energy has a budget of $1.5 million in residential rebates for solar photovoltaic systems. The residential rebate for solar electric is $300/kW, capped at $1,500 ($2,000 for qualifying rural residences).

## HOW LONG WILL THE SOLAR TAX CREDITS LAST?





### FEDERAL SOLAR INVESTMENT TAX CREDIT (ITC)

26% of installed cost of solar electric system (in 2020). Note: you must have taxable income to offset.

Average price of a residential solar electric system is $3.00/watt or $3,000 per kilowatt.

The cost of installing solar has dropped over 70% since 2009.

### SOLAR PAYBACK TIME

With cost savings of over $700 per year, most Wisconsin solar systems for homes pay for themselves after 7-11 years. With 20+ years of reducd electric bills, total savings can be well over $20,000.

### NET METERING

Net metering enables you to get credits from your electric provider for extra solar energy your system produces during the day when the sun is out. The credits offset your electric usage when the sun isn't shining.

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