



## San Francisco's GoSolarSF Incentive Program

The GoSolarSF Program offers financial incentives to residents, businesses, and non-profits within the City of San Francisco for installing grid-tied solar photovoltaic energy systems.

This program offers a one-time incentive payment for local solar electric projects to reduce the cost of installation. The program has three distinct base incentive levels to choose from for residential installations, with two additive incentives offered for using an installer based in San Francisco and for approved low-income participants.

In November 2009, the program reached its budget capacity for the fiscal year ending on June 30, 2010. **GoSolarSF will only be accepting low-income residential applications until further notice. All applications other than low-income residential will be rejected.**

| Type   | Residential Incentive Levels   | Amount                   |
|--|--|--------------------------|
| <b>Basic</b>                                       | Any owner of a single family residential property in San Francisco   | \$500<br>w/ low-income   |
| <b>Workforce Development</b>                       | Using an installer who hires graduates from the City's Workforce Development Program   | \$2,000<br>w/ low-income |
| <b>Environmental Justice</b>                       | Environmental CARE customers, CALHome enrollees & residences in 94107 & 94124 zip codes  | \$3,000<br>w/ low-income |
| <b>Additional Payments</b> (To an incentive above) | <b>Low-income:</b> Information about eligibility requirements can be found at <a href="http://sfwater.org/Files/Forms/GoSolarSF_low_inc_app1008.pdf">http://sfwater.org/Files/Forms/GoSolarSF_low_inc_app1008.pdf</a>        | \$7,000                  |
|  | <b>City Installer:</b> Using an installer with principal place of business in San Francisco  | \$750<br>w/ low-income   |
| <b>Business Incentive Level</b>                    |  |                          |
| <b>Basic</b>                                       | Businesses must use an installer who hires graduates from the City's Workforce Development Program to qualify  | Suspended                |
| <b>Non-Profit Incentive Levels</b>                 |  |                          |
| <b>Non-residential</b>                             | Non-residential buildings owned and occupied by non-profits, or owned by government entities and occupied by non-profits   | Suspended                |
| <b>Multi-unit, Residential</b>                     | Multi-unit residential buildings owned and operated by non-profits (For-profit, multi-unit residential buildings can qualify if 75% of the units are designated as affordable housing for a period of no less than 30 years) | Suspended                |

Incentive payments are tied to individual electric meters, meaning that buildings with more than one meter or applicants owning more than one property are eligible for more than one incentive payment.

You can find more information on the GoSolarSF Program at [www.solarsf.org](http://www.solarsf.org), or by emailing questions to [GoSolarSF@sfwater.org](mailto:GoSolarSF@sfwater.org).

**For more information please visit [SFEnvironment.org](http://SFEnvironment.org) or call (415) 355-3780.**

SFEnvironment is a department of the City & County of San Francisco.

## State Rebate Program

As part of Governor Arnold Schwarzenegger's \$3.3 billion "Million Solar Roofs Program," California has set a goal to create 3,000 megawatts of new, solar-produced electricity by 2017.

- The **California Solar Initiative**: Managed by the [California Public Utilities Commission](#)<sup>1</sup>, the [California Solar Initiative](#)<sup>2</sup> (CSI) will provide incentives through 2016 for existing residential homes and existing and new commercial, industrial, and agricultural properties. The rebate amount depends on the type and size of the solar PV system:
  - **Commercial & Residential Systems < 50 kW**: The CSI program will pay incentives to solar PV projects smaller than 50 kW through an up-front incentive known as an expected performance-based buydown (EPBB). EPBB is based on an estimate of the system's future performance.
  - **Commercial & Residential Systems ≥ 50 kW**: The CSI program will pay performance-based incentives (PBI) for solar PV projects equal to or larger than 50 kW, with monthly payments based on recorded kWh of solar power produced over a 5-year period. These PBI will be a flat per-kWh payment for PV system output.
  - **Systems Installed on Non-profit Facilities**: The CSI offers higher EPBB or PBI amounts for solar systems installed on tax-exempt facilities that are ineligible for federal solar tax credits.

CSI rebates decline over time based on the number of megawatts that have already reserved rebates. Current CSI rebate amounts can be found at the CSI [Trigger Point Tracker](#)<sup>3</sup>.

- The **CSI Single Family Low Income Program**: Managed by the non-profit solar organization, [GRID Alternatives](#)<sup>4</sup>, this program offers incentives to eligible low income households.
  - Households who financed their home through local, state and federal housing assistance programs and whose household income is at or below 50 percent of the area median income can receive a fully subsidized 1 kW system.
  - Other eligible low-income households can receive highly subsidized solar systems.
  - More information about this program, eligibility requirements and incentive levels can be found at [www.gosolarcalifornia.ca.gov/csi/low\\_income.html](http://www.gosolarcalifornia.ca.gov/csi/low_income.html)
- **Multifamily Affordable Solar Housing (MASH)**: The MASH Program provides solar incentives on qualifying existing affordable housing multifamily dwellings.
  - Track 1 incentives provide fixed, up front, capacity-based incentives at two separate levels depending on whether solar PV systems offset the common area electrical load or tenant load.
  - Track 2 incentives are currently being developed and will offer higher amounts for providing quantifiable "direct tenant benefits," such as sharing any operating cost savings seen from solar with your tenants.
  - Virtual Net Metering allows for credits from one solar energy system to be distributed between multiple meters in a multifamily affordable housing building, allowing the benefits to be seen by tenants as well as offering more value to building owners.
  - More information about the MASH Program can be found at [www.gosolarcalifornia.ca.gov/csi/low\\_income.html](http://www.gosolarcalifornia.ca.gov/csi/low_income.html)
- The **New Solar Homes Partnership**: Managed by the [California Energy Commission](#)<sup>5</sup>, the [New Solar Homes Partnership](#)<sup>6</sup> (NSHP) will provide \$400 million worth of incentives through 2016 to

<sup>1</sup> [www.cpuc.ca.gov/puc/](http://www.cpuc.ca.gov/puc/)

<sup>2</sup> [www.gosolarcalifornia.ca.gov/](http://www.gosolarcalifornia.ca.gov/)

<sup>3</sup> [www.csi-trigger.com/](http://www.csi-trigger.com/)

<sup>4</sup> [www.gridalternatives.org](http://www.gridalternatives.org)

<sup>5</sup> [www.energy.ca.gov](http://www.energy.ca.gov)

<sup>6</sup> [www.gosolarcalifornia.ca.gov/nshp/index.html](http://www.gosolarcalifornia.ca.gov/nshp/index.html)

encourage solar in new residential construction. To qualify, buildings must achieve energy efficiency levels substantially greater than the requirements of the current Building Energy Efficiency Standards (Title 24). The Expected Performance-Based Incentive (EPBI) is provided through an up-front rebate, at two different incentive levels:

- The base incentive level applies to custom homes, small developments (less than six homes), production housing where solar will not be installed as a standard feature on at least 50% of the homes in a development, and common areas of residential developments.
- For new subdivisions or multi-family housing developments with 6 or more homes/dwelling units, and where a minimum of 50% of the homes/dwellings will have solar systems offered as a standard feature, the incentive is \$0.10/watt above the base incentive.

NSHP rebates decline over time based on the number of megawatts that have already reserved rebates. Current rebate amounts can be found at [www.newsolarhomes.org/rebatelevels.aspx](http://www.newsolarhomes.org/rebatelevels.aspx)

- Solar for **New Affordable Housing Projects**: Eligible affordable housing projects, including new single- and multi-family developments, are offered higher EPBI amounts than standard market rate housing developments through the New Solar Homes Partnership.
  - More information on affordable housing incentives and eligibility can be found at [www.gosolarcalifornia.ca.gov/builders/affordable.html](http://www.gosolarcalifornia.ca.gov/builders/affordable.html)
  - Current NHSP incentive levels for affordable housing projects are available at [www.newsolarhomes.org/RebateLevels.aspx?f=ah](http://www.newsolarhomes.org/RebateLevels.aspx?f=ah)

### Federal Tax Credit

A 30% federal tax credit is offered for the installation of both residential and corporate solar energy systems in the form of the [Residential Renewable Energy Tax Credit](#)<sup>7</sup> and [Business Energy Investment Tax Credit \(ITC\)](#)<sup>8</sup>. There are no caps under the current federal tax credit program, which is available through 2016.

Businesses installing new systems that qualify for the Renewable Electricity Production Tax Credit (PTC) can now choose to take the federal ITC instead, or to receive the equivalent amount of 30% of the solar energy system cost in the form of a [grant](#)<sup>9</sup> from the U.S. Treasury Dept. Grant guidelines, including the terms and conditions and sample application are now available at: [www.treas.gov/recovery/1603.shtml](http://www.treas.gov/recovery/1603.shtml). Grant applications will be accepted until October 1, 2011.

Businesses are also allowed to [accelerate the depreciation](#)<sup>10</sup> of their PV systems. Credits can be carried forward or back if the credits will lower the businesses' tax burden below the minimum tax.

### Renewable Energy Certificates (RECs)

Also known as Green Tags, Renewable Energy Credits, or Tradable Renewable Certificates, RECs are the property rights to the environmental benefits from generating electricity from solar and other renewable energy sources. RECs incentivize carbon-neutral renewable energy by providing a subsidy to electricity generated from renewable sources. REC providers are credited with one REC for every MWh of electricity they produce. The green energy is then fed into the electrical grid (by mandate), and the accompanying REC can then be sold on the open market by companies called aggregators. For more information about RECs and local aggregators, check out [Green-e](#)<sup>11</sup>.

<sup>7</sup> [dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=US37F&State=federal&currentpageid=1&ee=1&re=1](http://dsireusa.org/incentives/incentive.cfm?Incentive_Code=US37F&State=federal&currentpageid=1&ee=1&re=1)

<sup>8</sup> [dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=US02F&State=federal&currentpageid=1&ee=1&re=1](http://dsireusa.org/incentives/incentive.cfm?Incentive_Code=US02F&State=federal&currentpageid=1&ee=1&re=1)

<sup>9</sup> [www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=US53F&re=1&ee=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=US53F&re=1&ee=1)

<sup>10</sup> [www.dsireusa.org/incentives/incentive.cfm?Incentive\\_Code=US06F&State=federal&currentpageid=1&ee=1&re=1](http://www.dsireusa.org/incentives/incentive.cfm?Incentive_Code=US06F&State=federal&currentpageid=1&ee=1&re=1)

<sup>11</sup> [www.green-e.org](http://www.green-e.org)