



GoSolarSF Program

The City and County of San Francisco offers a financial incentive for San Francisco residents and businesses to install solar (photovoltaic) energy systems on their properties. The GoSolarSF Program, passed by the Board of Supervisors and signed into law in June 2008, will provide \$3,000-\$6,000 for residential installations and up to \$10,000 for commercial photovoltaic installations.

This program offers a one-time incentive payment for local solar electric projects to reduce the cost of installation. The program has four distinct incentives for residential installations. The incentives are limits on assistance, meaning that the higher incentives are not adders to the lower ones, but total incentives. The incentive for businesses and non-profits is a simple capacity-based incentive.

Residents		Businesses/Non-Profits
Basic incentive	\$3,000	\$1.50 per Watt that the system is designed to generate, up to a cap of \$10,000
City installer incentive	\$4,000	
Environmental justice incentive	\$5,000	
Workforce development incentive	\$6,000	

Once incentive is allowed per meter. 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, subject to the provisions below.

- The basic residential incentive is available to any resident installing solar generation on a property located within San Francisco.
- The city installer residential incentive exists to encourage the use of local installation businesses. It is available to residents who contract with an installer holding a current SF business registration certificate showing a San Francisco address as the place of business.
- The environmental justice residential incentive is available to installations on properties in lower income and racially diverse neighborhoods considered “environmental justice districts.” This incentive will apply to installations on properties in the 94107 and 94124 zip codes, or to residents who qualify for CARE, or to building owners who qualify for the CalHome loan program.
- The workforce development residential incentive is available to residential installations performed by contractors employing graduates of the City’s workforce development program.

The Board of Supervisors also passed a one-year pilot program to provide the following additional incentives:

Non-profit incentive	Available to any SF non-profit. Identical to the business incentive under the long-term program, but without the \$10,000 cap	\$1,500 per kW of capacity
Multi-unit, non-profit residential incentive	Available to installations on multi-unit residential buildings owned by non-profit organizations	\$4,500 per kW of capacity, up to \$30,000, or net system cost after federal incentives, whichever is less

For more information on the GoSolarSF Program, go to go to www.sfwater.org/solarincentive.

For more information please visit SFEnvironment.org or call (415) 355-3715.

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** (http://www.gosolarcalifornia.ca.gov/csi/cash_back.html): Managed by the California Public Utilities Commission (<http://www.cpuc.ca.gov/>), the California Solar Initiative (CSI) will provide incentives over the next decade 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 < 100 kW:** The CSI program will pay incentives to solar PV projects smaller than 100 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. EPBB rebates decline over time based on the number of megawatts that have already reserved rebates. Current rebate amounts can be found at <http://www.csi-trigger.com/>.
 - **Commercial & Residential Systems ≥ 100 kW:** The CSI program will pay performance-based incentives (PBI) for solar PV projects equal to or larger than 100 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. PBI rebates decline over time based on the number of megawatts that have already reserved rebates. Current rebate amounts can be found at <http://www.csi-trigger.com/>.
 - **Systems Installed on Non-profit Facilities** (http://www.gosolarcalifornia.ca.gov/csi/non-profit/cash_back_nonprofit.html): The CSI offers an up-front cash incentive of up to \$3.25/watt and a performance-based incentive of up to \$0.50/megawatt-hour (MWh) for solar systems installed on tax-exempt facilities that are ineligible for federal solar tax credits. Current rebate amounts can be found at <http://www.csi-trigger.com/>.
- The **New Solar Homes Partnership** (<http://www.gosolarcalifornia.ca.gov/nshp/index.html>): Managed by the California Energy Commission (<http://www.energy.ca.gov/>), the New Solar Homes Partnership (NSHP) will provide \$400 million worth of incentives over the next 10 years to encourage solar in new residential construction. To qualify, buildings must achieve energy efficiency levels substantially greater than the requirements of the current Building Energy Standards (Title 24). Incentives are provided through an up-front rebate, at two different incentive levels:
 - The Expected Performance-Based Incentive (EPBI) amount is \$2.50/watt. This incentive level applies to custom homes, small developments (less than six homes), and all residential applications where solar will be installed on less than 50% of the homes in a development.
 - The EPBI incentive level for new homes/dwellings in subdivisions or multi-family housing developments with 6 or more homes/dwelling units home developments, and where a minimum of 50% of the homes/dwellings will have solar systems offer solar as a standard feature, is \$2.60/watt.NSHP rebates decline over time based on the number of megawatts that have already reserved rebates.
- **Low-income & Affordable Housing Projects:** Ten percent (\$216 million) of the overall CSI budget has been allocated to low-income projects (<http://www.gosolarcalifornia.ca.gov/csi/low-income.html>) and new affordable housing (<http://www.gosolarcalifornia.ca.gov/nshp/affordable.html>).

Federal Tax Credit

The Energy Policy Act of 2005 created federal income tax credits for solar energy projects installed in 2006-2008. The federal government provides a federal tax credit equal to 30% of the solar system cost. For residential systems, there is a \$2,000 limit per system. For commercial systems, there is no ceiling. Businesses are also allowed to accelerate the depreciation of their PV systems. Credits can be carried forward or back if the credits will lower the businesses' tax burden below the minimum tax. See the Solar Energy Industries Association's "Guide to Federal Tax Incentives" (http://www.riseo.state.ri.us/riref/programs/fedtax_solarguide.pdf) and IRS Form 3468 (www.irs.gov) for more information.

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, go to <http://www.green-e.org/>.