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## POWER NOTES - GEORGIA POWER EDITION

### WINTER 2016 ISSUE - POWER NOTES

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### SOLAR ENERGY TAX CREDITS EXTENDED

The U.S. Congress just extended the Investment Tax Credit (ITC) for solar energy through 2022.

Between 2016 and 2019, the ITC on solar energy installations is 30%. That means if you spend \$30,000 on a solar energy installation, the federal government will give you a \$9,000 credit towards your tax bill for the year. If you don't owe any taxes, they will write you a check for your credit.

Between 2020 and 2022, the credits will gradually decline to 10%.

### SOLAR PHOTOVOLTAICS VS. SOLAR HOT WATER

Solar photovoltaics (PV) involves using solar panels to directly generate electricity from the sun's rays. PV is the most common type of solar energy today and is the focus of this newsletter.

Solar hot water involves using solar panels to heat water. These types of systems were common in the 1970's, but are not seen very often today. They are limited to facilities that need large quantities of hot water like laundromats, car washes, hotels, spas and some industrial facilities.

### GEORGIA POWER'S SOLAR PURCHASE SCHEDULE

Georgia Power has a Solar Purchase Schedule. This rate pays customers for 100% of the energy from their solar panels.

This rate pays customers a sizeable \$.17/KWH for every KWH that is produced. For comparison, this is about 70% higher than what most customers are paying Georgia Power for electricity.

The Solar Purchase Schedule requires a separate meter be installed to measure the output of the customer's solar panels. A small monthly metering fee of \$4.50/month is charged.

### GEORGIA POWER'S GREEN ENERGY SCHEDULE

The Solar Purchase Schedule is a heavily subsidized rate funded by customers who choose to buy blocks of green energy through Georgia Power's Green Energy Schedule.

The number of KWH that can be purchased by Georgia Power on the Solar Purchase Schedule is a function of the number of green energy blocks that are being voluntarily purchased by customers on the Green Energy Schedule.

If you want to support solar power, but don't want to install solar panels, you might want to participate in the Green Energy Schedule.

### UMS ACCEPTS CREDIT CARD PAYMENTS

To pay your UMS bill by credit card, please contact Mary Mooney at (888)867-3230 ext. 109.



## SOLAR ENERGY INSTALLATIONS

The two most common ways to install solar panels is to mount them on the roof of a building or put them in an open field.

Rooftop installations tend to be somewhat smaller and may be more costly to install. However, they have the advantage of not taking up additional land.



Many field based installations are relatively large, covering several acres of land. These are often funded by companies that specialize in installing solar farms in many locations.



## POWER LINES NECESSARY FOR SOLAR ENERGY

Georgia Power must have power lines on your property with adequate capacity to receive your solar energy.

For most rooftop installations that is not a problem because Georgia Power already has power lines on the property to serve the building.

For field based installations, availability of adequate power lines can be a problem. Always verify the availability of adequately sized power lines before proceeding with a solar farm. The cost of extending power lines to the property can be quite significant and can make the overall project uneconomical.

## IS SOLAR ENERGY COST-EFFECTIVE?

By itself, solar energy is not cost effective compared to other sources of electricity. However, when you include the effects of the Investment Tax Credit and the incentives described above, solar energy is very cost effective in many cases.

It is often a long-term investment that provides a competitive return on investment for many years.

## IS SOLAR ENERGY FOR YOU?

If you have a large unshaded flat roof or a southern-facing roof and you are willing to make a significant capital investment, solar energy might be a good alternative for you.

If you have an unshaded lot that you do not need for other purposes and are willing to invest the capital, you might be a good candidate for a solar farm.

## LEASE YOUR ROOF OR LAND FOR SOLAR ENERGY

There are companies that will lease your roof or land to install their solar panel equipment.

If you want to support solar power, but you don't have the capital to buy and install the panels on your own, may want to use this approach.

You can help the environment and earn money from your roof or land.

### Questions?

Contact Brian Coughlan at (910) 793-6232 ext. 102. I will be glad to talk with you.

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