

Solarize ABC Financial Guide

Solarize Asheville-Buncombe County is a private-public community coalition formed to provide all the residents of Asheville and Buncombe County accessible and affordable clean energy technologies through community engagement and collaboration.

Solarize Financial Benefits

- *Benefit from the solar discount:* The bulk-purchasing power of this campaign will result in a discount off the upfront solar PV system price.
- *Access affordable solar financing:* You could save money on day one with no money down financing through our installer where your monthly solar loan payments are less than your solar system's energy bill savings.
- *Increase lifetime energy bill savings:* Discounted pricing and affordable pricing help a typical customer to save around \$20,000-\$30,000 over the 25-year life of your solar system.

Questions to Consider that Impact Your Financial Return

1. *What is your federal tax liability?* The solar federal investment tax credit is a tax credit for 26% of the solar PV purchase price and can be claimed over two years. You will only be able to claim the lesser of your total federal tax liability over two years or the 26% tax credit. Online calculators like www.nerdwallet.com/taxes/tax-calculator can help roughly estimate your tax liability.
2. *How much money are you willing to put down, if any?* While putting down money upfront will result in greater lifetime savings, a 25-year loan could help you start saving money from day 1. Solarize Asheville-Buncombe encourages participants to explore the various loan options that Summit Solar offers and/or through your own banking relationships to determine which product will best fit your needs and budget.
3. *Is your system the most cost-optimal size?* Asking for quotes of different system sizes (e.g., 5 vs 10 kW) can ensure that your solar PV system is sized optimally for the greatest financial return. Reach out to the Solarize Asheville-Buncombe team if you'd like financial overviews of different options similar to the example below. .

Financial Summary Example (next page)

Each proposal is unique – contact us directly for your specific overview.

Financial Summary (7.1 kW Solar PV System)

	Cash Purchase	HELOC 10- Year Loan	Loan Pal 12- Year Loan	Loan Pal 25- Year Loan
Net Upfront Cost	\$13,240	\$0	\$0	\$0
Solar PV Upfront Cost	\$17,892	\$17,892	\$17,892	\$24,179
Local Solar Incentives	\$0	\$0	\$0	\$0
Federal Solar Investment Tax Credit	\$4,652	\$4,652	\$5,555	\$6,287
Amount Financed	\$0	\$17,892	\$21,367	\$24,179
Net Year 1 Monthly Savings	\$109	-\$68	-\$68	\$6
Year 1 Monthly Solar PV Loan Payments	\$0	\$177	\$177	\$102
Year 1 Monthly Solar PV Electricity Savings	\$109	\$109	\$109	\$109
Net Year 1 Annual Savings¹	\$1,302	-\$821	-\$819	\$74
Year 1 Solar PV Loan Payments	\$0	\$2,123	\$2,121	\$1,228
Year 1 Solar PV Electricity Savings	\$1,302	\$1,302	\$1,302	\$1,302
Net 25 Year Savings - Nominal²	\$31,647	\$28,308	\$24,084	\$18,829
Nominal Lifetime Solar PV Costs	\$11,733	\$15,072	\$19,296	\$24,551
Real Lifetime Solar PV Costs	\$11,733	\$12,849	\$16,187	\$17,646
Nominal Lifetime Solar PV Savings	\$43,380	\$43,380	\$43,380	\$43,380
Real Lifetime Solar PV Savings	\$38,984	\$38,984	\$38,984	\$38,984

¹ Assumes 2.1% future inflation rate, 2.8% retail electricity rate increase per year, and net metering rate is equal to full retail rate. Contact solar installer for actual quote.

² The federal ITC amount received in year 1 is included in the cumulative cost savings chart but not the Net Year 1 Savings table.

³ Nominal savings are measured in terms of money alone while real savings are adjusted for inflation.

