

## **December 4, 2003 - Phoenix, AZ, USA: Utility APS Raises Solar PV Rebate to \$4 per Watt**

APS customers soon will have twice the motivation to install solar systems on their homes and businesses. In an effort to further encourage its customers to use solar energy, APS will double its current purchase credit to customers buying and installing solar systems under the state's Environmental Portfolio Standard.

Effective January 1, APS will pay \$4 per watt, up from \$2 per watt for solar systems that are tied to APS' electric grid, up to 50 percent of the system's cost. In addition, APS will make a one-time \$700 purchase credit to customers who install solar water heating systems, up from \$350.

Through this program, APS essentially is purchasing solar credits to help the company meet the goals of the Arizona Corporation Commission's Environmental Portfolio Standard, which encourages APS to generate 1.1 percent of its energy through renewable sources, 60 percent through solar.

Ed Fox, Vice President of Communications, Environment and Safety, said APS is committed to developing clean renewable energy sources today that will fuel tomorrow's economy.

"We clearly need to jump start consumer awareness and use of renewable forms of energy," said Fox. "The hope is that this program will contribute to increased demand for alternative energy sources, thus leading to systems that become more affordable for everyday consumers."

While nearly 200 customers in remote locations around the state have taken advantage of the program in its first two years (2002-03), less than 20 grid-tied APS customers signed up, thus the increased purchase credit. The EPS credit purchase amount for remote (off-grid) solar customers will remain at \$2 per watt.

APS will spend up to \$1 million annually in solar system pay-outs, half of those funds reserved for residential systems less than 5 kilowatts. The company will review the program annually as the cost of systems comes down.

Currently, the cost of a grid-tied solar system ranges anywhere from \$7 to \$14 per watt installed. Such factors as geographic location and ease of connectivity factor into the installation cost. (APS will spend up to \$250,000 annually for the solar water heater purchase credit).

In addition to the APS payment, Arizona residents also can receive a solar energy credit from the state of Arizona equal to 25 percent of the cost of the system, not to exceed \$1,000. For example, a one kilowatt grid-tied solar rooftop system that may cost \$10,000 installed could be purchased for \$5,000 with APS' credit (\$4,000) and the state credit (\$1,000) factored in.