

# Commercial Solar Water Heater Incentives



- **Arizona State Tax Credit** - 10% of the total installed cost, capped at \$25,000 for any one building in the same year and \$50,000 in total credits in any year.
- **Federal Tax Credit** - 30% of the total installed cost, with no cap for commercial applications.
- **Utility Incentives**
  - **APS –**
    - **Small systems (OG-300 Rated)** - \$0.75/first year kWh (kilowatt hour) savings, capped at 50% of the system cost; or production based incentives can be paid up to 20 years or a cap of 60% of the total system cost.
    - **Large systems (OG-100 Rated)** - \$0.45/first year kWh (kilowatt hour) savings, capped at 50% of the system cost; or production based incentives can be paid up to 20 years or a cap of 60% of the total system cost.
  - **SRP** - \$0.50 per kWh (kilowatt hour) of metered first year energy savings, capped at \$250,000.

## Commercial Solar Water Heater Pricing Example\*

Energy Production	Installed Cost	Utility Rebate		State Tax Credit	Federal Tax Credit	Final Cost	
		APS	SRP			APS	SRP
81,000 kWh per year	\$90,000	\$45,000	\$40,500	\$9,000	\$27,000	\$9,000	\$13,500

\*Note: This example represents a hypothetical cost and savings scenario based on information provided from APS, SRP, and the Database of State Incentives for Renewables and Efficiency. Actual costs and savings may vary.

## Additional Resources

Arizona State Tax Credit – [www.azcommerce.com/BusAsst/Incentives/Solar+Energy+Tax+Incentives+Program.htm](http://www.azcommerce.com/BusAsst/Incentives/Solar+Energy+Tax+Incentives+Program.htm)

Federal Tax Credit – [www.dsireusa.org/library/includes/incentive2.cfm?Incentive\\_Code=US02F&State=federal&currentpageid=1&ee=1&re=1](http://www.dsireusa.org/library/includes/incentive2.cfm?Incentive_Code=US02F&State=federal&currentpageid=1&ee=1&re=1)

APS – [www.aps.com/main/green/choice/choice\\_23.html?source=gch](http://www.aps.com/main/green/choice/choice_23.html?source=gch)

SRP - [www.srpnet.com/environment/earthwise/SolarBiz.aspx](http://www.srpnet.com/environment/earthwise/SolarBiz.aspx)

Database of State Incentives for Renewables and Efficiency - [www.dsireusa.org/index.cfm?EE=1&RE=1](http://www.dsireusa.org/index.cfm?EE=1&RE=1)

The information compiled and presented by the city of Glendale in this document, including, without limitation, the links embedded herein, is offered solely as a convenience of those seeking a source of basic information on solar incentives.

Updated on 6/1/09 – City of Glendale Environmental Resources Department