

Tucson Electric Power

PAG Panel Presentation

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TEP REST Plan Highlights (2009)

ACC Approved 2009

Funding Level

\$30 M

DG Percentages

Residential

7.5% of total (\$15M)

Commercial

7.5% of total (\$3.7M)

Incentive Levels

Residential PV

\$3.00/ DC watt

Residential Solar Water Heating

\$750 plus 25¢ kWh

(with 10 year warranty)

(annual kWh savings - max \$1750)

30,000,000 kwh DG Target in 2009

TEP incentives can cover up to 60% of project costs and up to 85% of project costs including other incentives



REST Plan Highlights (2009) - continued

Where the incentive money comes from:

REST Adjustor Mechanism (\$.008/kWh)

Residential Cap

\$4.50

Small Commercial Cap

\$75.00

Large Commercial Cap

\$350.00

Industrial Cap

\$1,600.00



Approved Programs

	Residential	Non-Residential
Biomass/Biogas	X	X
Daylighting		X
Geothermal	X	X
Small Hydro	X	X
Small Wind	X	X
Solar Electric	X	X
Solar Space Cooling	X	X
Solar H2O Heating/Space Heating	X	X
Pool Heating		X





Solar Hot Water

- 171 units in 2008 474,945 kwh
- Average system size is 2,787 kwh
- Payback ~5 years
- Increase targets in 2009 to 293 installations
- Shift in marketing emphasis



GreenMatts



Solar Hot Water

Typical 3,000 KWH system

Est. cost.. \$4,500

TEP incentive \$1,500

Fed tax credit \$ 900

AZ tax credit \$ 750

Total incentive
and tax credits \$3,150
(est.)





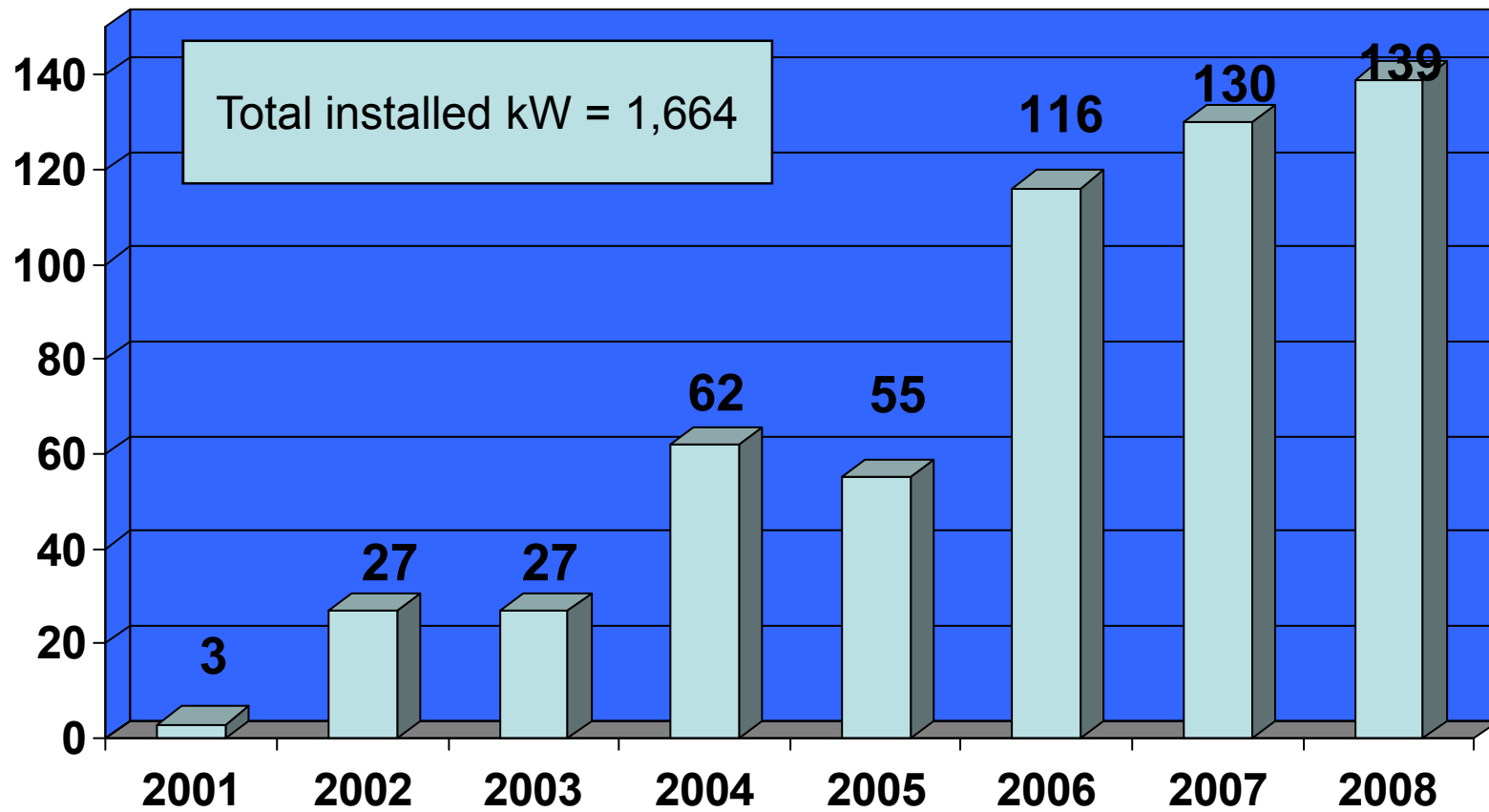
Solar PV

- Average system size is 4kw (growing)
- 1717 kwh/kw installed
- Payback ~ 20 years
- Goal of 139 systems in 2009
- New \$3.50/watt for new Energy Star homes





Annual SunShare PV Customers





Solar PV

3 KWDC Residential PV
system-\$25,000

TEP Incentive (\$3 per DC Watt)	\$9,000
Fed Tax Credit (30%, after TEP incentive)	\$4,800
AZ Tax Credit (25%)	<u>\$1,000</u>
Total incentive & Credits	\$14,800





Installers are Critical!!

- System sizes depend on many factors
- Behavior is different
- Cost and quality
- Experience with process





Energy Efficiency

- Be efficient first
- Learn your “MPG”
- Stop Idling
- Change the Culture



• Thank You!

