

# RESIDENTIAL SOLAR IN WISCONSIN

OCTOBER 2022

## SOLAR POWER IS AFFORDABLE AND COST EFFECTIVE

Solar power for your home is an affordable option for many Wisconsin households. The costs of solar systems have dropped over 70% in the last decade! Solar systems can be sized to offset most or all of the electricity consumed at your home. Affordable costs, coupled with federal tax credits and state incentives, have enabled solar energy to become economic and cost effective all across Wisconsin.

## TODAY'S SOLAR ECONOMICS

Installed cost of an average-size 6 kW residential solar electric system (before incentives and tax credits)

**\$19,000**

Focus on Energy incentive

**-\$500**

30% federal tax credit on remaining system cost

**-\$5,550**

Out-of-pocket cost of an average 6 kW residential solar electric system

**\$12,950**

## ANNUAL SAVINGS FROM AVERAGE 5 KW RESIDENTIAL SOLAR ELECTRIC SYSTEM

For a household paying 11+ cents/kWh (WPS, some municipals), the savings should be about \$700.

For a household paying 13+ cents/kWh (Alliant, Xcel, We Energies), the savings should be about \$800.

For a household paying 14+ cents/kWh (MGE), the savings should be about \$900.

Solar panels installed today can last 30 years or more with only a slight degradation (0.5%) in panel output every year. This means that new panels installed today will still produce 90% of their original power 20 years from now.

## FOCUS ON ENERGY SOLAR INCENTIVES AVAILABLE IN 2022

In 2022, Focus on Energy has a budget of \$1.5 million in residential rebates for solar photovoltaic systems. The residential incentive for solar PV is a flat \$500, regardless of system size.

### FEDERAL SOLAR INVESTMENT TAX CREDIT (ITC)

30% of installed cost of solar panels and battery storage until 2033.

Note: you must have taxable income to offset.



Average price of a residential solar electric system is \$3.17/watt or \$3,000 per kilowatt.

The cost of installing solar has dropped over 70% since 2010.

### SOLAR PAYBACK TIME

With hundreds of dollars in cost savings per year, most residential Wisconsin solar systems pay for themselves in around 10 years. With 20+ years of reduced electric bills, total savings can be well over \$20,000.



### NET METERING

Net metering is a billing policy that enables customers who generate electricity from solar energy to receive bill credits for the excess energy they export to the grid. This arrangement allows solar owners to generate their own electricity, reduce carbon emissions, and provide substantial economic benefits to their communities.



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