

# Current landscape of rooftop solar in Arizona

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WHAT IS SOLAR UNITED NEIGHBORS?

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We're a vendor neutral,  
national 501(c)(3)  
nonprofit.

WHAT IS SOLAR UNITED NEIGHBORS?



We help people  
go solar,  
join together,  
& fight for their  
energy rights.

# Arizona Program's impact since 2019



**543** people gone solar with us

**4.5 MW** installed capacity

**\$13M** invested in local solar

**\$23M** energy savings over 25 yrs

**95** solar jobs created

**60,000**  
metric tons of lifetime CO<sub>2</sub>e offsets

# What we'll cover today

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- 1 Recent state-level solar policy updates**
- 2 Solar incentives & programs in the Inflation Reduction Act**
- 3 Preview of Solar For All**
- 4 Solar United Neighbors solar co-ops**

# ACC Updates: Value of Solar

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**Background:** In 2017, ACC repealed net-metering and created the “resource comparison proxy” or export rates for rooftop solar.

**Currently,** solar homeowners are locked into a flat rate \$/kWh for 10 years. Utilities can reduce that rate by up to 10% each year.

**In October,** ACC voted 3-2 to launch a hearing process to reconsider 2 elements of the current policy:

- 1) Changes to the 10 year lock-in period
- 2) Whether or not utilities can reduce by more than 10%

- SUN’s response & next steps
- What does this mean for current solar owners and homeowners thinking about going solar now?

# Rallying the community to defend solar rights



Press conference outside ACC chambers (left)  
Standing room only inside (right)  
Line to get inside chambers (bottom right)

**ACC received thousands of public comments from homeowners, industry, and advocacy groups**



# APS Rate Case & Solar Grid Access Charge

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**Background:** APS rate case (more than a year process) came to a vote on February 22<sup>nd</sup>.

Commissioners voted 4-1 to approve rate increase for all APS customers:

- Allows APS to increase profit they can earn from 8.9% to 9.55%
- Average customers can expect ~ 8% increase

ACC also approved new “grid access charge” specifically for rooftop solar customers.

- Average solar customer will face ~ \$2.50 additional monthly charge on top of regular rate increase

SUN strongly opposed this charge and generated ~ 7,000 public comments, phone calls, and emails to Commissioners

AG response & next steps



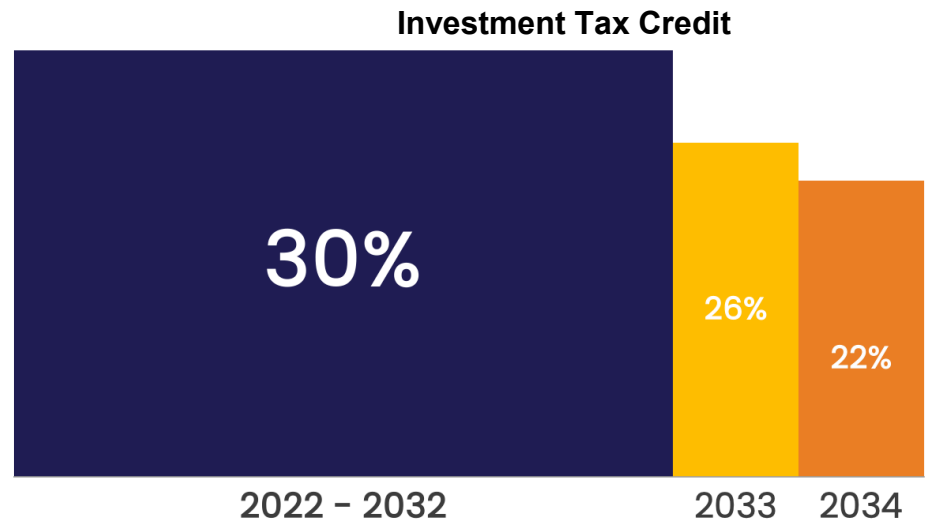
# Solar Incentives in the IRA



# Investment Tax Credit – Residential



- Restores 30% residential solar tax credit for 10 years
- Only applies to individuals who pay federal income tax
- Stand-alone residential battery storage now qualifies



# Investment Tax Credit – Commercial

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- Same 30% solar tax credit for 10 years

Additional adders:

- + 10% for projects located in former “energy communities”
- + 10% for projects located in low-income areas
- +10% for projects that use domestically-sourced equipment



# Direct Pay for Non-Profits

- For the first time ever, tax-exempt organizations can receive a version of the solar tax credit.
- Direct pay (cash payment from IRS) worth 30% of cost of installation



Applies to:

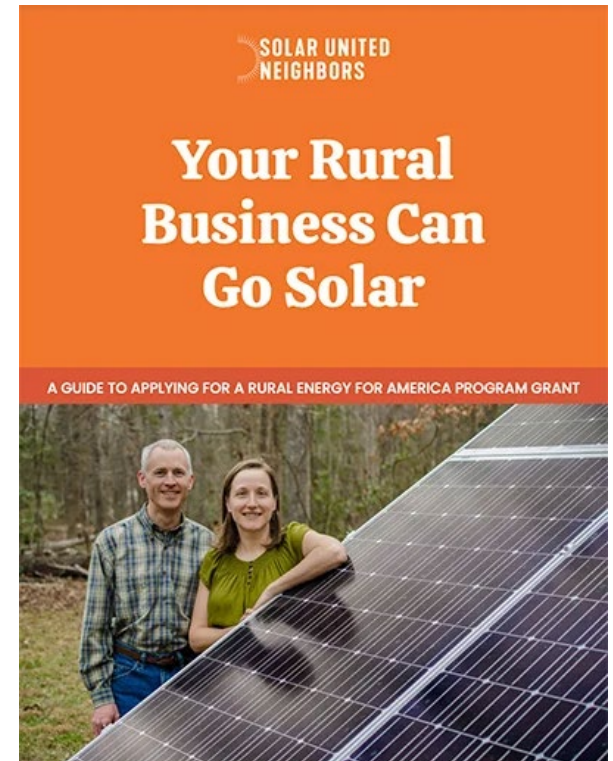
- 501(C)3 organizations
- Houses of worship
- State, county, local governments
- Special taxation districts (i.e. water district, school district)
- Tribal entities
- Non-profit hospitals, schools
- Does NOT apply to individuals

# Rural Energy for America Program (REAP)

- REAP provides grants and loans to farmers and rural small businesses to fund solar installations
- IRA quadrupled funding for REAP and increased cap to up to 50% of total cost.



Kathy & Ruby and their new solar installation



Free REAP guide and assistance from SUN

Solar For All is a  
transformational  
opportunity to  
dramatically expand solar  
access for low-income  
households.

# Overview: What is Solar For All?

**Inflation Reduction Act**



**Greenhouse Gas Reduction Fund**



**Solar For All Program**



- \$7 billion total
- Each state/territory had opportunity to apply
- 60 total grants
- Administered through state energy offices

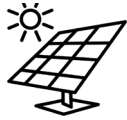


# Arizona Wins EPA Solar For All Grant!

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**\$156M** received from the EPA (\$250M requested)



**~ 58 megawatts (MW)** of rooftop solar installations



**~ 10,800** families who will benefit



**~ 2.3M tons** of CO2 prevented over the lifespan of the systems



**~ \$164M** in energy savings

# Summary: Arizona's Solar For All Application

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## Three Deployment Strategies:

1. Expand rooftop solar **ownership** (41% of funds)
2. Create a **neighborhood solar** program for renters (31% of funds)
3. Pilot a **solar plus storage** resilience program (10% of funds)

**Hopi Tribe also awarded  
separate \$25M SFA Grant**



# What happens next?

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## **Year One planning includes:**

- RFP to procure lenders and Housing Finance Authorities to oversee low-cost residential loans
- Non-profits and municipalities for community outreach and engagement
- Agencies to own neighborhood solar projects
- Solar installers
- Colleges, universities, unions to provide workforce development

## **Advisory Council will meet to advise on implementation of SFA:**

- Community groups & local gov will be needed to help connect households to various grants.
- Implementation to start end of 2024/early 2025

# To summarize...

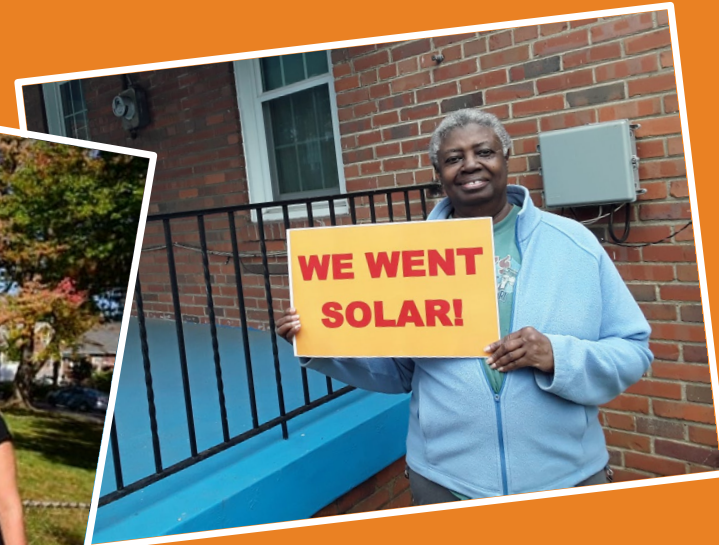
## What IS the current state of rooftop solar in Arizona?

- Federal policy has never been better for rooftop solar
- Recent statewide policy has been damaging to rooftop solar
- Interest rates are affecting business (most people finance)
- A bit of a mixed bag





# SUN Residential Solar Co-ops



# Imagine walking into a solar company's office with 50 or 100 of your neighbors and saying, "We all want to get solar. What kind of deal can you give us?"

## That's a solar co-op!

### Why join a Solar Co-op?



#### Expert help

Get unbiased support



#### Save money

Get a group rate on your solar



#### Community

Go solar with 50-100 people



#### Nonprofit

We're not a sales company



#### Free to join

No commitment to go solar



# The solar co-op process

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## Months 1-2

### **1 LEARN**

Attend a free solar co-op info session.

### **2 SIGN UP ONLINE**

Become a co-op member! It's free to sign up.

### **3 SPREAD THE WORD**

Invite neighbors & friends to join!

## Month 3

### **4 SELECT INSTALLER**

Once the co-op has 30 members, they choose the solar installer.

Solar United Neighbors issues a competitive RFP for solar installers on behalf of the solar co-op. We review bids & check references.

Then volunteer co-op members review bids & select one installer.

## Months 4-8

### **SIGN UP DEADLINE**

Last chance to join.

### **5 PROPOSAL**

Co-op pricing, customized for you.

### **6 SIGN CONTRACT**

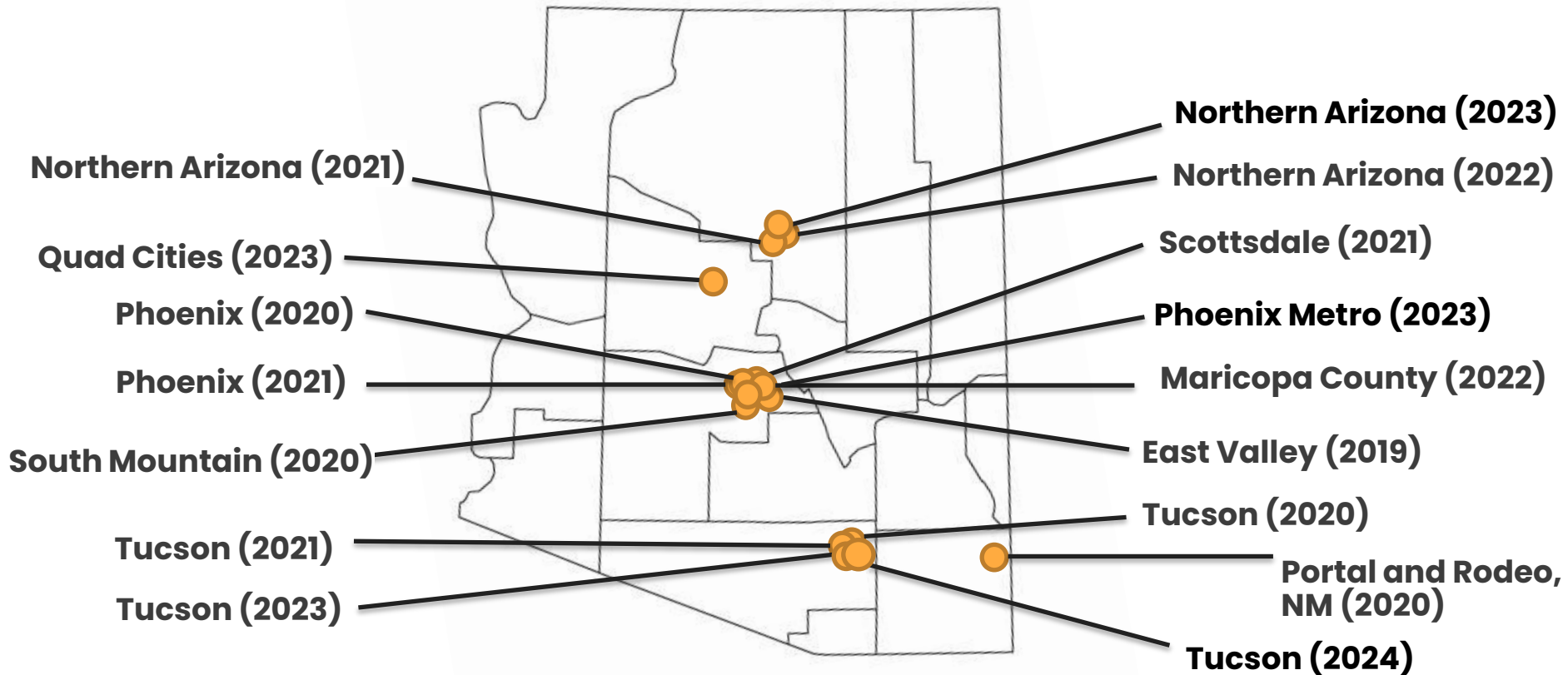
with the installer

### **7 INSTALLATION**

### **8 PARTY!**

Celebrate & meet your solar neighbors.

# 16 Solar Co-ops in Arizona since 2019





# The 2024 Phoenix Metro Solar Co-op Launches May 1

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We are still looking for partners for this co-op!

Previous partners for Arizona SUN co-ops include:

- Cities of Flagstaff, Sedona, Phoenix, Scottsdale; Coconino County
- Nonprofit organizations like Chispa, Vote Solar, Poder Latinx, Sustainable Tucson, Raza Development Fund, etc.

This co-op will be open from May – July. Open to anyone in the Phoenix metro area.

Partners help promote the co-op. No financial support required.



# Thank You!

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