



## **2007 Utility Incentives for Minnesota Utility Customers**

This document applies to all grid connected customers located in the state of Minnesota

**Note:** These programs have limited funding and are available on a "first come, first served" basis and a reservation process exists for each one. Contact our office for assistance in reserving your funds.

### **State of Minnesota Solar-Electric (PV) Rebate Program**

Applies To: Commercial, Residential, Nonprofit, Schools, Local Government, Tribal Government, All other grid-connected electric customers in MN  
System Type: Grid-connected systems  
Amount: \$2.00 per Watt-DC for grid-tied up to a max of \$20,000 per system

All grid-connected electric customers in the state of Minnesota can receive a rebate of \$2 for each watt of rated solar power (DC watts) installed up to a maximum of 10,000 watts. Participants must submit an application form to reserve a rebate before performing any installation work.

After receiving confirmation from the Minnesota Department of Commerce, participants have twelve months to install proposed systems and obtain approval by electric-utility officials and local code officials.

### **Great River Energy - Solar-Electric (PV) Rebate Program**

Applies To: Great River Energy's (GRE) member cooperative utilities customers  
System Type: Grid-connected systems  
Amount: \$2.00 per Watt-DC up to a max of \$4,000 per system

All grid-connected customers of any Great River Energy's member cooperatives can receive \$2 for each watt of rated solar power (DC watts) installed up to a maximum of \$4,000. This rebate is in addition to the State of Minnesota rebate. Customers must qualify and be participating in the State of Minnesota program, and are subject to the same requirements.

### **Minnesota Power Solar Electric (PV) Rebate Program**

Applies To: Residential and commercial customers of Minnesota Power  
System Type: Grid-connected systems  
Amount: \$2.00 per Watt-DC up to a max of \$4,000 per system

All grid-connected customers of Minnesota Power can receive \$2 for each watt of rated solar power (DC watts) installed up to a maximum of \$4,000. This rebate is in addition to the State of Minnesota rebate. Customers must qualify and be participating in the State of Minnesota program, and are subject to the same requirements. The systems must be installed by a trained installer.

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## **Production Incentives**

Applies To: Residential and commercial customers of Austin Public Utilities, Owatonna Public Utilities, Rochester Public Utilities  
System Type: Grid-connected systems  
Amount: Dependant on the total amount contributed by that utility's purchasers through their solar green pricing program.

Customers of these utilities are eligible to receive an incentive payment based on the system's production on a \$/kWh basis. The amount paid by each participating utility to its solar energy producers depends on the total amount contributed by that utility's purchasers through their solar green pricing program. The greater the amount contributed by purchasers, the greater the amount that will be distributed among participating producers, up to a maximum of \$1.00 per kWh.

## **US – Income Tax Credit**

Applies To: Retail sale of solar-electric systems  
System Type: Residential or Commercial on- and off-grid  
Amount: 30% of system cost; \$2,000 maximum for residential; one-time

The US Government has an income tax credit for residents and businesses that install a photovoltaic power system on their property. This credit applies to both on- and off-grid installations, and amounts to 30% of the system price, with a \$2,000 cap on residential projects. This is a one-time tax credit and restricts the homeowner for additional credits for solar purchases made for the same residence in subsequent years.

## **State of Minnesota – Sales Tax Exemption**

The expenditures on the construction of a solar electric power system is exempt from Minnesota State Sales Tax

## **State of Minnesota – Property Tax Exemption**

Minnesota excludes from (real estate) property taxation the value added by solar-electric (PV) systems. However, the land on which a PV or wind system is located is taxable.

## **US- Federal Depreciation**

Under the Modified Accelerated Cost-Recovery System (MACRS), businesses can recover investments in certain property through depreciation deductions. The MACRS establishes a set of class lives for various types of property, ranging from three to 50 years, over which the property may be depreciated.