



# SUMMARY OF COMMERCIAL PHOTOVOLTAIC - FINANCIAL ANALYSIS (NET METERING)

## VARIABLES

Total System Size (watts)	5,400
Insolation Value (annual peak sun hours per day.)	6.6
System Performance Derate Factor	35%
Current Electric Costs per (KW-H)	\$ 0.100
Current Electric Consumption (average KW-H/year)	250,000
Tax Burden (%)	36%
Estimated Annual Inflation Factor (%)	3%
REC/Green Tag Compensation Rate (per KW-H)	\$ 0.210
Installation Cost per Watt	\$ 5.760

## ELECTRICAL POWER PRODUCTION & RECS

Annual Power Generated w/ Derate (KW-H)	8,443
Current Electric Cost (per year at current rate)	\$ 25,000.00
Estimated Electric Cost (per year with PV system)	\$ 24,155.72
Value of Energy Produced by PV	\$ 844.28
Percent Reduction of Original Energy Costs with PV (\$)	3%
Percent of Energy Provided by PV (by KW-H)	3%
Green Tag units (annual production 1 REC per Mega Watt-Hour)	8
(REC=Renewable Energy Credit)	

## FINANCIAL ANALYSIS

Total System Cost (installed)	\$ 31,104.00
State Rebate (enter as a negative)	\$ (1,000.00)
Utility Rebate (enter as a negative)	\$ (16,200.00)
Other Rebate (enter as a negative)	\$ -
<b>Cost After Rebates</b>	<b>\$ 13,904.00</b>
30% IRS Tax Credit	\$ (9,331.20)
(full installed cost-no limit for commercial)	
First Year Total Rebates and IRS Credits	\$ (26,531.20)
<b>Cost After Rebates &amp; Credits</b>	<b>\$ 4,572.80</b>
Accelerated Depreciation - MACRS w/Bonus	\$ (7,091.04)
After Tax Savings from MACRS depreciation	\$ (2,552.77)
Offset Energy Costs FIRST YEAR	\$ (844.28)
REC/Green Tag Income FIRST YEAR	\$ (1,772.98)
<b>Net System Out-of-Pocket Cost after FIRST YEAR</b>	<b>\$ (597.24)</b>

**TOTAL System Cost Returned**

**102%**

**Tons of Carbon Dioxide Offset per year**  
(2.3 lbs/kw-h. Source: EPA)

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## Year 1

## Accelerated Depreciation

20.00%	Year 1
32.00%	Year 2
19.20%	Year 3
11.52%	Year 4
11.52%	Year 5
5.80%	Year 6

**100.0%**

(Assumes no residual value)

## Bonus Depreciation

### 50.00% Of Total in Year 1

Basis after ITC	\$11,818.40
Bonus Depreciation	\$5,909.20
Basis after Bonus	\$5,909.20
Annual MACRS Depreciation	\$1,181.84
Year 1 Depreciation	\$7,091.04



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Disclaimer: Actual results cannot be guaranteed.  
Please consult your tax professional.

Cash incentives/rebates received from state/local gov't or utilities are subject to IRS taxation

Year 2	Year 3	Year 4	Year 5	Year 6
113%	122%	132%	141%	151%
19	29	39	49	49