

## **Policy Document: Residential Solar Incentive Program**

### **I. PURPOSE**

The purpose of this policy is to establish a comprehensive set of incentives aimed at promoting the adoption of solar energy in residential settings. This policy outlines eight key strategies designed to make solar energy affordable and accessible for homeowners.

### **II. POLICIES**

#### **1. Direct Subsidies:**

We will provide direct subsidies to homeowners equivalent to 30% of the total cost of solar panel installation. This initiative aims to significantly reduce the financial burden on homeowners. For a system with an installation cost of \$20,000, a homeowner would receive a direct subsidy of \$6,000.

#### **2. Tax Incentives:**

To further promote the adoption of solar energy, a tax credit of 26% of the total cost of the solar system will be provided. This tax credit effectively reduces the cost of a \$20,000 system by an additional \$5,200.

#### **3. Solar Renewable Energy Certificates (SRECs):**

For every megawatt-hour (MWh) of electricity that a solar power system produces, the homeowner will be awarded one SREC. These certificates can be sold on a marketplace to utility companies, potentially generating up to \$250 per certificate, based on current market rates.

#### **4. Net Metering:**

Our policy promotes the sale of excess electricity generated by residential solar panels back to the grid. The feed-in tariff will be set at \$0.10 per kilowatt-hour (kWh), enabling homeowners to earn income from their investment.

#### **5. Low-Interest Financing:**

Through partnerships with local financial institutions, homeowners will be offered low-interest loans for solar installations. The interest rates for these loans will be capped at 1.99% APR.

#### **6. Group Buying or Solarize Programs:**

Community-based initiatives will be promoted to facilitate bulk purchase of solar systems. These group buying programs can potentially reduce the cost per system by up to 20%.

#### **7. Education and Outreach Programs:**

We will invest in the development and dissemination of educational resources about solar energy. This will include free workshops and online resources aimed at assisting homeowners in understanding the benefits of solar energy and the specifics of our incentive program.

#### **8. Incentives for Improvements and Upgrades:**

An additional 10% rebate will be offered on the cost of energy storage or efficiency upgrades to the solar systems, encouraging homeowners to enhance their systems and contribute further to energy conservation.

### **III. IMPLEMENTATION**

The implementation of these policies will require effective collaboration among various government agencies, local utility companies, financial institutions, and homeowners. Evaluation measures will be put in place to regularly assess the effectiveness and uptake of these incentives.

### **IV. EFFECTIVE DATE**

This policy will come into effect from the beginning of the fiscal year, following its ratification.

### **V. REVIEW**

This policy will be reviewed biennially to ensure its effectiveness and adapt to changing market conditions, technological advancements, and residential needs.