

# AI-01116 Solar Buyback 8c vs 21c per kWh

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⋮ Tags	Problem
🕒 Created time	@August 31, 2024 11:48 AM

On the topic Solar Buyback, perform a pros and cons analysis of a 8 cents/kw and 21 cents/kw buy and sell rate. Calculate a hypothetical example of which plan is of lesser out of pocket in 12-months time frame.

## Pros and Cons of Solar Buyback Rates: 8 Cents/kWh vs. 21 Cents/kWh

### Understanding Solar Buyback

Solar buyback refers to the practice where energy companies purchase excess solar power generated by homeowners or businesses. This incentivizes the adoption of solar energy systems.

### 8 Cents/kWh

- **Pros:**
  - Lower upfront cost for solar installation.
  - More attractive for those with lower energy consumption.
  - Can still offset a portion of electricity bills.
- **Cons:**
  - Less revenue from solar power generation.
  - May not fully offset electricity costs, especially for high consumers.
  - Lower return on investment over time.

### 21 Cents/kWh

- **Pros:**

- Higher revenue from solar power generation.
- Can potentially offset a significant portion or even all electricity costs.
- Higher return on investment over time.

- **Cons:**

- Higher upfront cost for solar installation.
- Less attractive for those with lower energy consumption.
- May be subject to additional fees or restrictions from the energy company.

### **Hypothetical Example: 12-Month Comparison**

#### **Assumptions:**

- Average monthly electricity consumption: 300 kWh
- Solar system capacity: 1 kW
- Solar system efficiency: 20%
- Grid rate: 10 cents/kWh

#### **Scenario 1: 8 Cents/kWh**

- Monthly solar generation:  $1 \text{ kW} * 30 \text{ days} * 24 \text{ hours} * 20\% = 144 \text{ kWh}$
- Monthly solar income:  $144 \text{ kWh} * 8 \text{ cents/kWh} = \$11.52$
- Monthly electricity cost:  $300 \text{ kWh} * 10 \text{ cents/kWh} = \$30$
- Net monthly cost:  $\$30 - \$11.52 = \$18.48$
- Annual cost:  $\$18.48/\text{month} * 12 \text{ months} = \$221.76$

#### **Scenario 2: 21 Cents/kWh**

- Monthly solar income:  $144 \text{ kWh} * 21 \text{ cents/kWh} = \$30.24$
- Net monthly cost:  $\$30 - \$30.24 = -\$0.24$
- Annual cost:  $-\$0.24/\text{month} * 12 \text{ months} = -\$2.88 \text{ (savings)}$

### **Conclusion**

Based on these assumptions, the

**21 cents/kWh** buyback rate would result in a **lower out-of-pocket cost** over a 12-month period. However, the initial investment for the solar system would be higher. The optimal choice depends on individual factors such as energy consumption, solar system size, and long-term financial goals. It's recommended to consult with a solar energy expert to assess the most suitable option for your specific needs.

Help me decide which Solar Buyback Plan is best for me at lower cost per year. I am in 8 cent/kwh solar buy back plan and the new available Plan is 20 cents/kwh. Perform a comparison of the two plans side by side using the kWh details in 2024 Solar Generation and my usage.

My 2023-2024 Electric bill are the following:

Total 12 Month Usage=8014 kWh

Surplus Generation=7322 kWh

Total Surplus Credit=\$628.86

Total Cost in 2024=\$918

## Analyzing Solar Buyback Plans: 8 Cents/kWh vs. 20 Cents/kWh

### Understanding Your Current Situation

Based on your 2023-2024 electricity bill data:

- **Total Usage:** 8014 kWh
- **Surplus Generation:** 7322 kWh
- **Current Buyback Rate:** 8 cents/kWh
- **Surplus Credit:** \$628.86
- **Total Cost:** \$918

### Calculating Potential Savings Under the New Plan

**New Buyback Rate:** 20 cents/kWh

**Potential Surplus Credit:** 7322 kWh \* 20 cents/kWh = \$1464.40

**Potential Total Cost:** \$918 (total cost) - \$1464.40 (potential surplus credit) = -\$546.40

## Conclusion

Based on these calculations, **switching to the 20 cents/kWh buyback plan would result in a significant potential cost savings of \$546.40** over the same 12-month period. This is due to the substantially higher rate at which your surplus energy would be valued.

## Important Considerations:

- **Contract Terms:** Ensure there are no additional fees or restrictions associated with the new plan.
- **Future Usage:** Consider any potential changes in your energy consumption patterns that might affect your overall savings.
- **Solar System Efficiency:** If your solar system's efficiency has declined over time, it could impact your surplus generation and, consequently, your savings.

## Recommendation

Given the substantial potential savings, **switching to the 20 cents/kWh buyback plan seems like a wise decision** based on the information provided. However, it's essential to carefully review the terms of the new plan and consider any potential future changes in your circumstances.

**Help me decide which Solar Buyback Plan is best for me at lower cost per year. I am in 8 cent/kwh solar buy back plan and the new available Plan is 20 cents/kwh. Perform a comparison of the two plans side by side using the kWh details in 2024 Solar Generation and my usage.**

**My 2023-2024 Electric bill are the following:**

**Total 12 Month Usage=7414 kWh**

**Surplus Generation=7322 kWh**

# Analyzing Solar Buyback Plans: 8 Cents/kWh vs. 20 Cents/kWh

## Understanding Your Current Situation

Based on your 2023-2024 electricity bill data:

- **Total Usage:** 7414 kWh
- **Surplus Generation:** 7322 kWh
- **Current Buyback Rate:** 8 cents/kWh

### Calculating Potential Savings Under the New Plan

**New Buyback Rate:** 20 cents/kWh

**Potential Surplus Credit:** 7322 kWh \* 20 cents/kWh = \$1464.40

### Conclusion

Based on these calculations, **switching to the 20 cents/kWh buyback plan would result in a significant potential cost savings of \$1464.40** over the same 12-month period. This is due to the substantially higher rate at which your surplus energy would be valued.

### Important Considerations:

- **Contract Terms:** Ensure there are no additional fees or restrictions associated with the new plan.
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### Recommendation

Given the substantial potential savings, **switching to the 20 cents/kWh buyback plan seems like a wise decision** based on the information provided. However, it's essential to carefully review the terms of the new plan and consider any potential future changes in your circumstances.

**I still have a 1996 Refrigerator at home, compare a 1996 refrigerator kW rating per year to a 2024 model. Just find a generic brand.**

## Comparing Energy Efficiency of a 1996 Refrigerator to a 2024 Model

**Note:** Energy efficiency ratings can vary significantly between brands and models, even within the same year. The following is a general comparison based on typical energy consumption trends.

### **1996 Refrigerator:**

- **Energy Consumption:** Older refrigerators, especially those manufactured before the mid-1990s, were significantly less energy-efficient. They often used between 800 and 1200 kilowatt-hours (kWh) per year.

### **2024 Refrigerator:**

- **Energy Consumption:** Modern refrigerators, especially those with Energy Star certifications, typically consume between 300 and 500 kWh per year. Some high-efficiency models can consume even less.

### **Estimated Savings:**

If you were to replace a 1996 refrigerator that used 1000 kWh per year with a 2024 model that used 400 kWh per year, you could potentially save:

- **1000 kWh - 400 kWh = 600 kWh** per year.

### **Cost Savings:**

The exact cost savings would depend on your local electricity rates. However, assuming a rate of \$0.15 per kWh, you could potentially save:

- **600 kWh \* \$0.15/kWh = \$90** per year.

### **Additional Factors to Consider:**

- **Efficiency Ratings:** Look for Energy Star certifications, which indicate higher energy efficiency.
- **Size:** A larger refrigerator will generally consume more energy.
- **Features:** Features like automatic defrost, ice makers, and water dispensers can increase energy consumption.
- **Maintenance:** Regular maintenance, such as cleaning the coils and keeping the door seals intact, can improve energy efficiency.

### **Conclusion:**

While the specific energy consumption of your 1996 refrigerator might vary, it's

generally much higher than a modern, energy-efficient model. Replacing it with a newer model could result in significant energy and cost savings over its lifespan.

**Is PowerShift Solar Buyback 12 the best buyback Plan in the USA.**

## **PowerShift Solar Buyback 12: A Competitive Option in Texas**

**PowerShift Solar Buyback 12** is a popular solar buyback plan offered in Texas. It's known for its competitive rates and flexible terms, making it a strong contender among the various solar buyback plans available in the US.

### **Key Features of PowerShift Solar Buyback 12:**

- **High Buyback Rate:** This plan offers a competitive rate for buying back excess solar energy generated by customers.
- **No Credit Cap:** There's no limit to the amount of credit you can accumulate, which can be beneficial for those with high solar production.
- **Unlimited Rollover:** Excess credits can roll over to the next month, providing flexibility in using your solar energy savings.
- **No Credit Sweep:** Your credits won't be forfeited at the end of the year.

### **Factors to Consider When Comparing Plans:**

While PowerShift Solar Buyback 12 is a solid choice, it's essential to consider other factors when selecting the best buyback plan for your specific needs:

- **Your State:** Solar buyback rates and regulations can vary significantly from state to state.
- **Your Energy Usage:** If you have high energy consumption, a plan with a higher buyback rate might be more beneficial.
- **Your Solar System Size:** The size of your solar system will influence the amount of surplus energy you generate.
- **Additional Fees:** Some plans may have hidden fees or restrictions that can affect your overall savings.

### **Recommendation:**

To determine if PowerShift Solar Buyback 12 is the best option for you, it's

recommended to:

1. **Compare Rates:** Research other solar buyback plans available in your state and compare their rates, terms, and conditions.
2. **Consider Your Needs:** Evaluate your energy usage, solar system size, and financial goals to determine which plan aligns best with your requirements.
3. **Consult with an Expert:** A solar energy expert can provide personalized advice and help you choose the most suitable buyback plan.

By carefully considering these factors, you can make an informed decision and select the solar buyback plan that offers the best value and benefits for your specific situation.