Commercial & Industrial Solar Photovoltaic Systems

Applications



Rooftop solar systems

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Benefits

Environmental sustainability

Using solar energy can reduce reliance on fossil fuels, thus reducing carbon footprint and other environmental impacts.

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Lower Energy Costs

Solar panels can reduce the amount of electricity purchased from the utility company, which can lower consumers' monthly bills.

Ground mounted systems





Energy Resilience

Solar panels installed with battery systems allow commercial and industrial buildings to continue to function during power outages.



Solar carports

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Potential tax credits

Businesses might be eligible for the <u>federal solar tax credits</u>, which includes expenses of solar panels, labor costs, and balance-of-systems.

MICHIGAN

DISTRIBUTED GENERATION PROGRAM

In 2016, Michigan Public Service Commissions (<u>MPSC</u>) adopted a distributed generation (DG) program based upon the inflow/outflow billing mechanism. The distributed generation program is for customers who install certain on-site, gridconnected, renewable generation. Size limit: <=550 kW, or 110% of annual electricity consumption

SYSTEM DESIGN

PV Only



Lower upfrond costs



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Cost-effective if electricity is used mostly during daytime

Curtailment if generated electricity cannot be exported back to the grid

PV + Battery



Back up power



Maximum electric bill savings by avoiding using grid during on-peak time



FEDERAL SOLAR TAX CREDITS

Two tax credits are available for entities that purchase solar energy systems.

Investment Tax Credits (ITC)

A tax credit that reduces the federal income tax liability for a percentage of the cost of a solar system that is installed during the tax year.

Base credit: 30%

Production Tax Credits (PTC)

A per kilowatt-hour (kWh) tax credit for electricity generated by solar and other qualifying technologies for the first 10 years of a system's operation.

Base credit: 2.75 ¢/kWh

Generally, project owners cannot claim both ITC and PTC for the same property. Check with yout tax provider if the tax credit is applicable.

Additional Resources



Rebates and Incentives:

- Overview of the Federal Solar Tax Credits by DOE
- <u>Database of State Incentives for Renewables & Efficiency (DSIRE)</u> Resources from Michigan Utility Companies:
 - DTE Rooftop Solar and Private Generation
 - Consumers Energy Distributed Generation
 - Lansing Board of Water and Light Distributed Generation
 - Indiana Michigan Power Renewable Energy With Create Green

Tools of PV system calculations or designs:

- PVWatts Calculator by NREL
- <u>REopt Web Tool by NREL</u>

