



**Bring Solar Home Campaign**

**The Solar Surge  
in San Antonio  
August 14, 2011**

# **CPS ENERGY AND SOLAR**

- **THREE MAJOR SOLAR COMMITMENTS**
  - **CENTRAL GENERATORS**
  - **COMMERCIAL LEVEL INCENTIVES - FEED  
IN TARIFF - FIRST YEAR TEST**
  - **REBATES**

# CENTRAL GENERATORS

- Blue Wing Project 13.8 Megawatts + 500 Megawatts research and development - juwi solar, Inc./Duke Energy
- Sun Edison 30 Megawatts (3 x 10)
- RFP 50 Megawatts + economic development, education, and research and development
- 111 Responses
- Reissue RFP for 400 MW over 5 years
- Grid Parity for Solar

# STEP PROGRAM

- \$850 million over 12 years for energy efficiency improvements and solar
- Rebates for 15 different items - Rebates recovered through past rate increase and fuel adjustment charge - social justice component
- Flexibility to adjust to demand
- Goal = to reduce energy demand by 771 Megawatts = eliminate need for new central generator

# STEP RESULTS

- FY 2009 THROUGH FY 2011 = 162 MEGAWATTS REDUCED DEMAND
- FY 2011 GOAL = 45 MEGAWATTS
- FY 2011 REDUCTION = 86 MEGAWATTS
- PROGRAM CONSISTENTLY ACHIEVING HIGHER DEMAND REDUCTION PER DOLLAR THAN ANTICIPATED.

# SOLAR REBATE

- One of STEP 15 rebates is solar
- Programmatic goal is 6% of total for each year
- FY 2011 = 979.05 kilowatts installed; \$2.8 million rebates paid; \$7 million value total
- Current rebate = \$2.50/AC Watt up to 25 kW, then \$1.65/AC Watt up to \$200,000 - local requirement

# SOLAR TRENDS

- FY 2008 = 5 photovoltaic (PV) units
- FY 2009 = 17 PV
- FY 2010 = 38 PV
- FY 2011 = 157 PV
- FY 2012 (8/9/2011) = 165 PV\*
- \* 70 more in queue awaiting approval

# SAN ANTONIO AND SOLAR

- San Antonio - DOE designated Solar America City
- National Renewable Energy Laboratory polling results:
  - 40% ready for solar hot water; 40% ready for solar electric
  - Obstacles: lack of information and upfront cost



# SOLAR SAN ANTONIO CAMPAIGN

- Bring Solar Home Campaign
- Information = [BringSolarHome.com](http://BringSolarHome.com)
- Confidence Building = application on website, we select installers, we follow up with calls to applicants and installers
- Local lending institutions developing loan products for solar

# **SOLAR IMPROVEMENT LOAN**

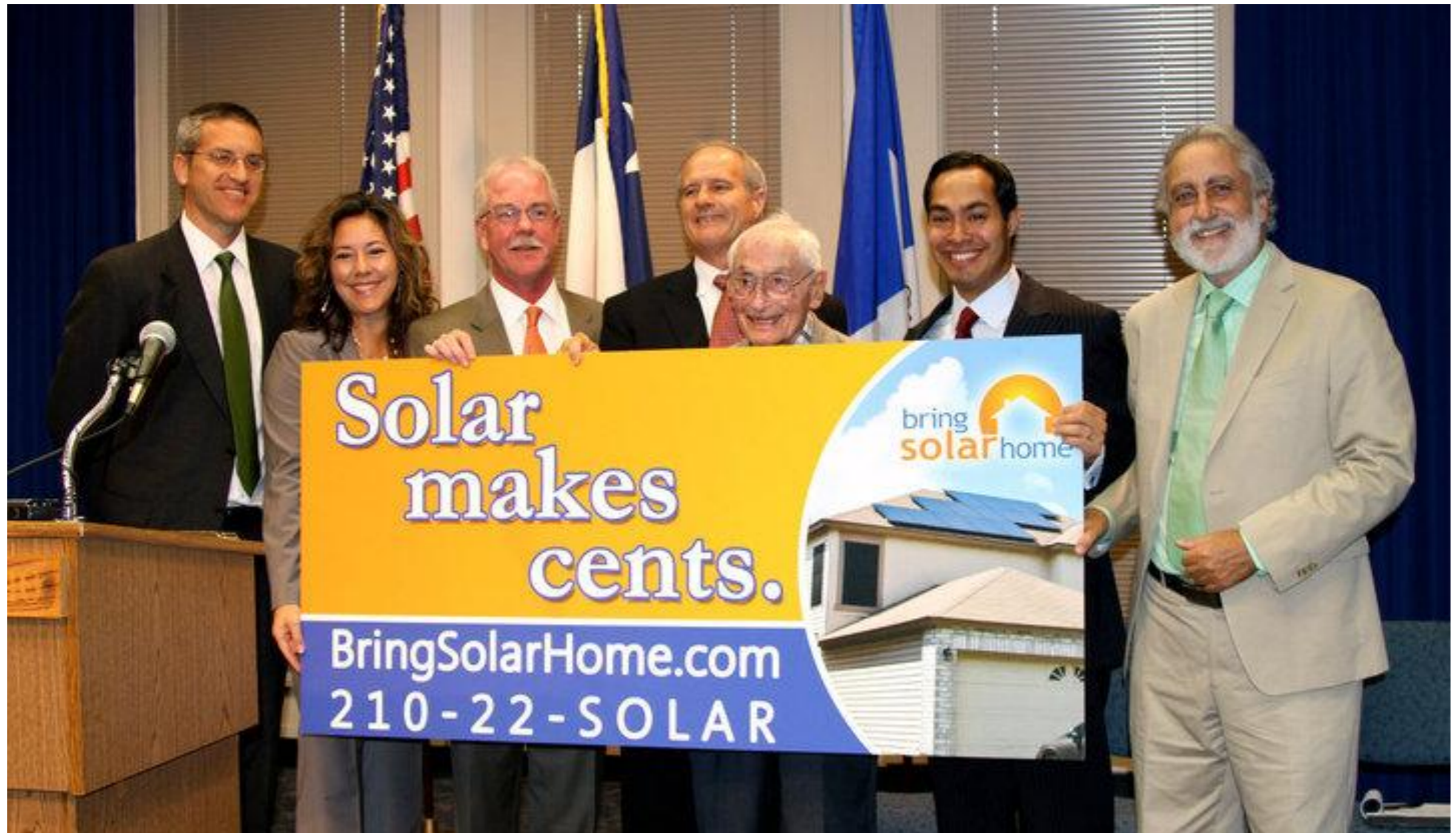
- **LOAN FOR TOTAL COST OF INSTALL**
- **WHEN REBATE PAID, CAN BE APPLIED TO LOAN**
- **WHEN FEDERAL TAX CREDIT CALCULATED,  
CAN BE APPLIED TO LOAN**
- **LOAN INTEREST IN 5% TO 6% RANGE**

# Solar Financing Example

SYSTEM SIZE: 5 KILOWATTS  
TOTAL INSTALLATION COST PER KILOWATT:\$5.50

Rate	5.50%	5.25%	5.00%
Loan Amount	\$27,500	\$27,500	\$27,500
Term	20 Years	15 Years	10 Years
Phase 1 Payment (First month)	\$189.17	\$221.07	\$291.68
CPS Energy Rebate	\$11,250	\$11,250	\$11,250
Balance (11 months)	\$16,186.87	\$16,149.25	\$16,072.90
Phase 2 Payments (after first payment & rebate)	\$111.60	\$130.30	\$171.58
Balance (after 12 months)	\$15,765.76	\$15,478.61	\$14,897.89
Federal Tax Credit	\$4,875	\$4,875	\$4,875
New Loan Balance	\$10,890.76	\$10,603.61	\$10,022.89
Phase 3 Payments (remaining life of loan)	\$77.09	\$89.26	\$115.44
Projected Monthly Energy Savings	\$68.08	\$68.08	\$68.08
<b>Net Monthly Cost</b>	<b>\$9.01</b>	<b>\$21.18</b>	<b>\$47.35</b>

# PRESS CONFERENCE LAUNCH



# CAMPAIGN ELEMENTS

- Leadership cooperation = press conference with Mayor, County Commissioner, CPS Energy, and local lending institution
- Outreach cooperation = CPS Energy bill insert, newspaper articles, local weatherman
- Purchased media - billboards, newspaper ads, television time
- Staff support = 2,500 calls

# CAMPAIGN RESULTS

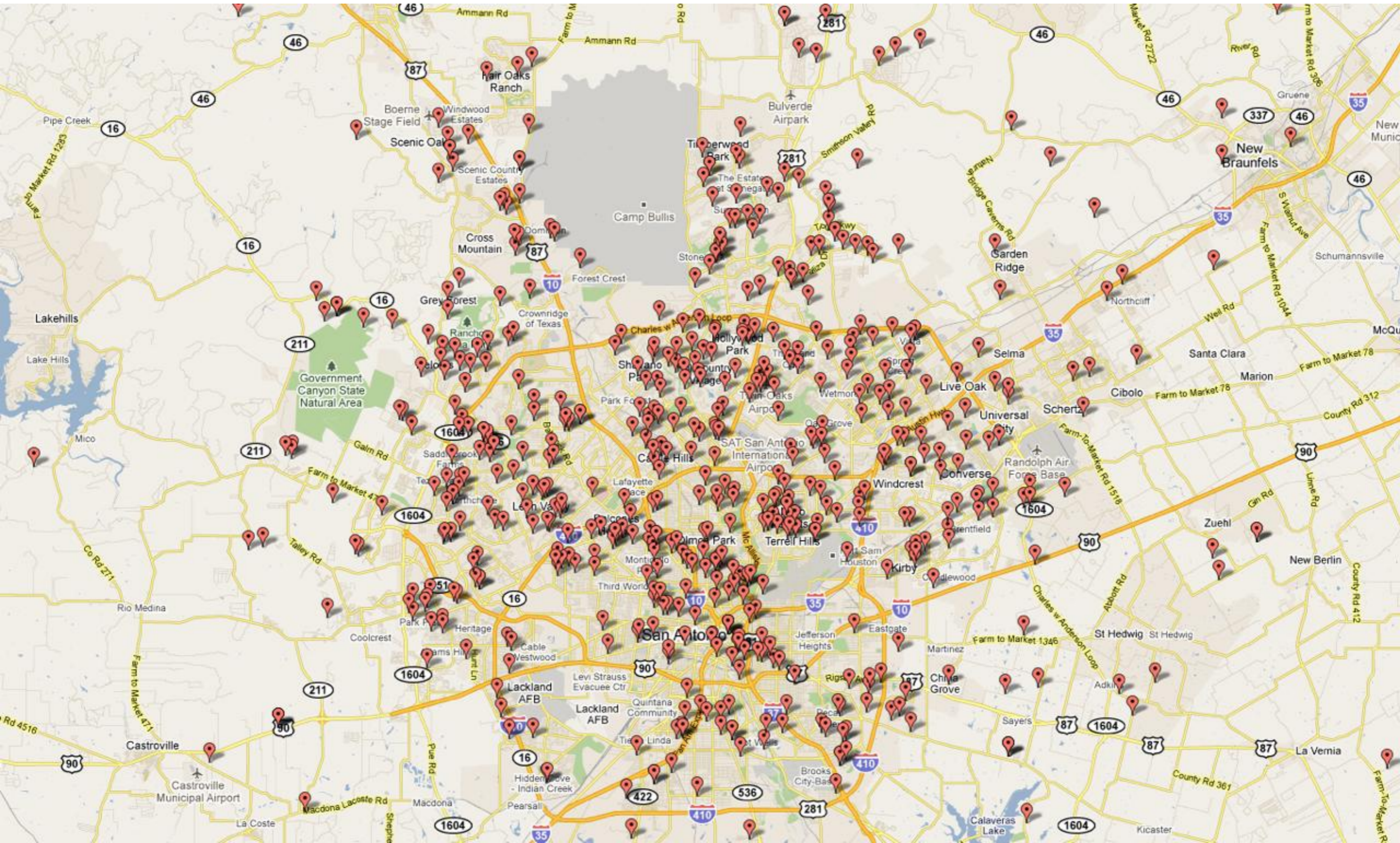
## Phase I

- More than 550 applications to date
- At least 70 installations
- Value at least \$2.5 million
- 1/2 Megawatt added to CPS Energy distributed generation portfolio
- At least two companies quadrupling staff
- Total expenses for staff, materials, and purchased media about \$60,000

# LENDING INSTITUTION

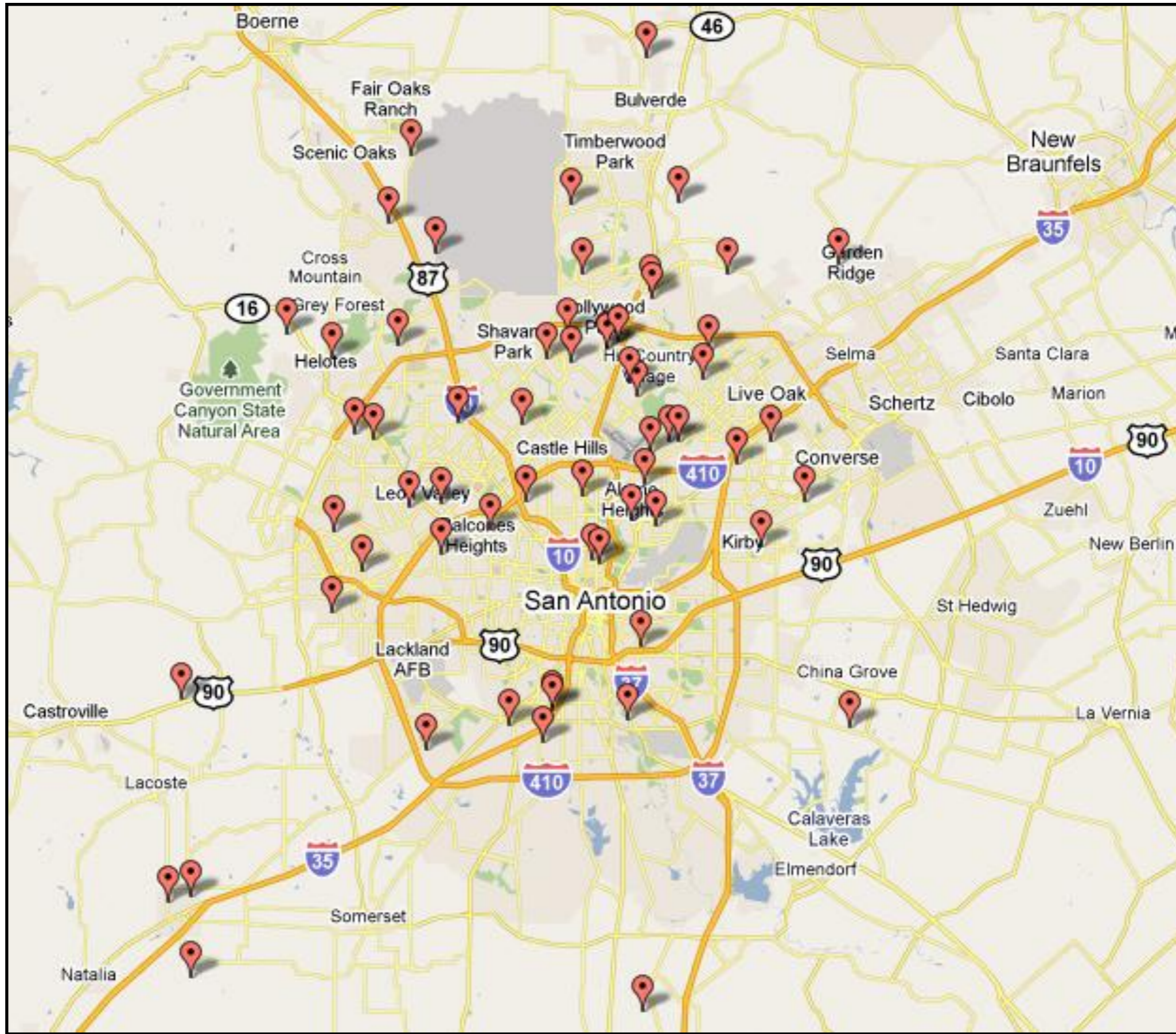
- 65 APPLICATIONS = \$1.4 MILLION
- 32 APPLICATIONS APPROVED (49%)
- 15 APPLICATIONS FUNDED (23%)
- TOTAL FUNDED = \$300,356
- AVERAGE LOAN AMOUNT = \$22,000
- AVERAGE INTEREST 5.75%
- AVERAGE LOAN TERM = 120 MONTHS

# GEOGRAPHIC DISTRIBUTION OF LEADS





# Installations - 70+



# LARGER PICTURE

- Policies in place at City of San Antonio = Mission Verde Plan
- Policies in place at CPS Energy - Vision 2020
- SA 2020 + Mission Verde Alliance
- Mission Verde One Stop Center at Cooper
- Economic Development - Solar is major driver for creating green economy in San Antonio

# UTILITY STRATEGY

- DECOMMISSION OLD COAL PLANTS RATHER THAN UPGRADE SCRUBBERS
- TAKE NUCLEAR OFF THE TABLE FOR NOW
- SATURATED ON WIND
- NATURAL GAS PROBLEMATIC
- SOLAR FULL STEAM AHEAD = HUNDREDS OF MEGAWATTS
- UTILITY AS ECONOMIC DEVELOPMENT PARTNER

# SOLAR POTENTIAL

- BEXAR COUNTY = 600,000 ROOFTOPS
- IF 50% SOLAR QUALIFIED = 300,000
- IF SPENT \$10,000 PUTTING SOLAR ON EACH ROOFTOP = \$3 BILLION
- INDUSTRY BEING BORN
- CREATING THOUSANDS OF JOBS ON CONTINUAL BASIS

# PLAN FOR CORPUS CHRISTI

- Citizen catalyst
- Political leaders
- Financing Institutions - future marketplace
- Utilities - making the case for solar
- Solar Installers
  - Group purchase
  - Training

# QUESTIONS

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