

9/23/09



Texas

Incentives/Policies for Renewables & Efficiency

AEP Texas North Company - Smart Source PV Rebate Program

Last DSIRE Review: 09/16/2009

Incentive Type: Utility Rebate Program

State: Texas

Eligible Photovoltaics

Renewable/Other Technologies:

Applicable Sectors: Commercial, Industrial, Residential, Nonprofit, Schools, Local Government, State Government, Tribal Government, Fed. Government, Multi-Family Residential, Agricultural, Institutional, Must be an AEP-TNC Customer

Incentive Amount: \$2.50/W DC

Maximum Incentive: Residential: \$25,000
Non-residential: \$90,000

Eligible System Size: 2 MW (interconnection and net metering limit); system must be sized so that estimated production does not exceed annual on-site energy consumption

Equipment Requirements: Equipment must be new and listed as eligible under the California Solar Initiative; revenue-grade, bi-directional solar meter required to measure system output; systems must have an all-inclusive five-year warranty against breakdown or degradation of more than 10% from rated output.

Installation Requirements: Systems must be grid-connected and installed on the customer's side of the meter; estimated system performance must be at least 80% of optimal, unshaded output as measured by PVWatts; Must use Service Provider from the registered Service Provider list (specific eligibility requirements)

Program Budget: Total: \$360,000 (\$180,000 each year in 2009 and 2010); 50% of annual budget is reserved for residential installations

Ownership of Renewable Energy

Credits: Customer-generator

Expiration Date: 12/31/2010 or when funds are exhausted

Project Program manager may perform both pre- and post-installation inspections.

Review/Certification: Projects are subject to long-term performance verification through persistence inspections.

Web Site: <http://www.txreincentives.com/apv/index.php>

Date Effective: 8/1/2009

Summary:

American Electric Power Texas North Company (AEP-TNC) offers rebates to customers that install photovoltaic (PV) systems on homes or other buildings. Customers of all rate classes (e.g., residential, commercial, etc.) are eligible to participate in the program. The term "customer" means "the entity with financial responsibility for paying the electric bill for the meter behind which the distributed solar energy equipment is to be installed." Rebates may be assigned to the customer, a service provider, or a third party. The program is scheduled to operate through 2010 with separate 2009 and 2010 program years.

Rebates for new construction projects are permitted, but could involve complications that conflict with program guidelines. Special considerations and rules also apply to apartments, rentals, condominiums, leased properties, large companies, and government agencies. Interested parties are encouraged to contact the program manager prior to submitting an application.

Rebates are offered at a flat rate of \$2.50 per watt (DC) for all customers. The maximum per project and per customer rebate for residential systems is \$25,000 and the maximum rebate for non-residential customers is \$90,000. Individual system size is limited by the Texas interconnection and net metering limits for distributed renewable generation (currently 2 MW). In addition, systems may not be sized to produce energy in excess of that required to meet annual on-site energy consumption. Each customer and point of service is eligible to participate in the program multiple times, subject to other program limitations (e.g., maximum per customer and per

project incentive limits).

Systems must be new, connected to the grid on the customer side of the meter, meet minimum estimated performance requirements (80% of optimum), and meet all applicable code and utility interconnection requirements. In addition, all equipment (i.e., modules, inverters and meters) must be listed as eligible under the California Solar Initiative (CSI) and meet several other quality assurance requirements. All installations must be performed service providers who meet program eligibility requirements. Service providers are also subject to ongoing quality assurance standards and are required to attend technical training sessions. Installations may be subject to a variety of inspection and performance monitoring requirements in the short- and long-term. System owners retain title to renewable energy certificates (RECs) produced by their system.

The total program budget is \$360,000 -- \$180,000 each year in 2009 and 2010 -- and 50% of the budget each year is reserved for residential systems. Program administrators will enforce the budget allocations described above through August 31, 2010. Thereafter, any remaining unreserved funds will be pooled together to fund additional applications of any type on a first-come, first-served basis. Residential incentive reservations expire six calendar months after the date of acceptance and other incentive reservations expire 12 calendar months after the date of acceptance.

Contact program personnel for additional information on applications, incentive eligibility, installer qualifications and other program details.

Contact:

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