

2022 - 2023

Southern Energy Management's **NC Solar Rebate Guide**

Here's what you should know about the Duke Energy NC Solar Rebate when considering solar for your home, business, or nonprofit.

What is the NC Solar Rebate?

The NC Duke Energy Solar Rebate is a one time rebate available to homes, businesses, and nonprofits serviced by Duke Energy in North Carolina. The Duke Energy Solar Rebate began in 2017 and will continue through 2022.

How did the rebate get started?

The Duke Energy Rebate is a result of House Bill 589 which was a bill developed collaboratively by clean energy advocates, Duke Energy, and the legislature to continue North Carolina's strong track record of promoting clean energy. This incentive is intended to expand North Carolina's growing solar movement, keeping in tradition with our status as the #2 solar producing state in the nation.



Why is solar power in NC so awesome?



Sustainable Savings

Lock in your energy rate for 25+ years with solar. With current incentives, clean energy is even more affordable for North Carolinians, making solar savings even better.



A Brighter Future

Your solar system's impact goes far beyond your home. By harnessing the power of the sun, you are able to lead the change to create a more sustainable future for generations to come.



Energy Independence

Generating your own solar energy means buying less from the utility, which means more money in your pocket and more money that can be invested within your local community.

Who is eligible for this rebate?

Homeowners, businesses, and nonprofits in North Carolina who are Duke Energy customers that install solar electric (PV) systems are eligible to apply for a rebate from Duke Energy.



What if you're not a Duke Energy customer?

Not a Duke Energy Customer? No problem. We know it's disappointing that the rebate program is not available to you, but with low solar prices and powerful federal tax incentives for solar, we're confident we can design a solar solution that leaves you radiating with happiness.

If you are served by a municipal utility that doesn't offer solar incentives, reach out to your local city government and tell them that solar is an important part of our energy future. If you are served by an electric membership cooperative, then you are technically an owner of your utility—reach out to your Board of Directors and tell them you are ready for them to join the 21st century. Finally, get involved with and support the [North Carolina Sustainable Energy Association](#), which is the main renewable energy advocacy group in our state.

IMPORTANT INFO

Is the rebate guaranteed?

The **Duke Energy Solar Rebate is not guaranteed** and is awarded through a lottery system. Each year the rebate has become **increasingly competitive** with very few of the homes and businesses that applied getting accepted.

Because the rebate cannot be guaranteed, Southern Energy Management will default to not including the rebate in your solar savings analysis. We're happy to educate and consult on the impact of the rebate, how to apply, and your likelihood of actually receiving the rebate if you're interested. Regardless of the NC Solar Rebate, solar is still a great investment in North Carolina, especially with the recent renewal of the 30% Federal Investment Tax Credit for solar.

How much is the rebate worth?

Based on the installed system size, homeowners can save up to \$0.40/watt, businesses can save up to \$0.30/watt, and nonprofits can save up to \$0.75/watt. There is an annual cap for the rebate portion of 20MW which is divided between homes, businesses, and nonprofits in Duke Energy Progress and Duke Energy territory.

	Home Solar Rebate Program	Business Solar Rebate Program	Nonprofit Solar Rebate Program
Rebate Amount	40¢ per watt \$3,000 to \$4,000 for a typical home solar panel system	30¢ per watt \$30,000 for a 100 kilowatt solar system	75¢ per watt \$37,500 for a 50 kilowatt solar system
Maximum Rebate	\$4,000 10,000 watts x \$0.40	\$30,000 100,000 watts x \$0.30	\$75,000 100,000 watts x \$0.75
Rebate System	Lottery Very Competitive	Lottery Extremely Competitive	First Come, First Served Not Very Competitive - Go For It!

How is the rebate value calculated?



Residential

Homeowners in Duke Energy territory can claim \$0.40/watt on new solar installations for up to a 10kW sized system (\$4,000 rebate max). Although the residential cap is at 10kW/system, you will still be able to install a larger system if needed.

Example of a residential system

7.6kW size system = 7,600 watts

7,600 watts x \$0.40 rebate = **\$3,040 projected total rebate**



Commercial

Businesses that install solar in Duke Energy territory are eligible for a \$0.30/watt rebate on up to a 100kW sized system. Businesses that install more than 100kW of solar will only be able to apply for the max business rebate value of \$50,000.

Example of a commercial system

100kW size system = 100,000 watts

100,000 watts x \$0.30 rebate = **\$30,000 projected total rebate**



Nonprofit

Nonprofit customers of Duke Energy can receive a \$0.75/watt rebate for up to 100kW of newly installed solar. Similar to homes and businesses, if nonprofits exceed the 100kW max they will only be able to apply for the cap nonprofit rebate value of \$75,000.

Example of a nonprofit system

50kW size system = 50,000 watts

50,000 watts x \$0.75 rebate = **\$37,500 projected total rebate**

When do you apply for the rebate?

The residential and commercial application period for the Duke Solar Rebate has closed for 2022 and program capacity has been reached.

There will be a final rebate allocation in January 2023 to award any remaining rebate funds* to projects with meters swapped after October 13, 2022. This rebate application period will open on January 11, 2023 at 9am. Applications must be submitted by 9am on January 18th, 2023.

** Total capacity available for the 2023 allotment will not be determined until Dec 2022, based on kW still remaining in the nonprofit bucket.*

Nonprofit applications will still be accepted from July 27, 2022 – December 31, 2022.

Who applies for the rebate?

To apply for the rebate, you will need an established solar project with an **interconnection number**. Your solar installer should be able to provide you the associated information for your rebate application.

How is the rebate awarded?

Residential & Commercial

The solar rebate is awarded through a random selection process. A third-party contracted by Duke Energy, will randomly assign a rebate reservation or wait list designation to each eligible rebate application. Once this process is complete, Duke Energy notifies rebate applicants and solar installers about their solar project's rebate status.

Nonprofit

Historically, this rebate has not been very competitive for nonprofits, with extra capacity left in the rebate at the end of the year. If you are a nonprofit and Duke Energy customer, this rebate is a great opportunity for additional solar savings!

Other Solar Incentives Available in NC

Good news! The **30% Federal Investment Tax Credit (ITC) for solar was recently renewed through the signing of the Inflation Reduction Act.** Unlike the Duke Energy NC Solar Rebate, this tax credit is guaranteed for those who install solar and pay taxes.

Residential

For an average sized 7.6 kW residential solar system, your net cost will drop from \$26K to \$18,200 when you apply the 30% Federal ITC for solar. Your system cost may vary depending on site and energy use factors, regardless, you'll still receive a guaranteed 30% savings on the cost of your system with the Federal ITC for solar!

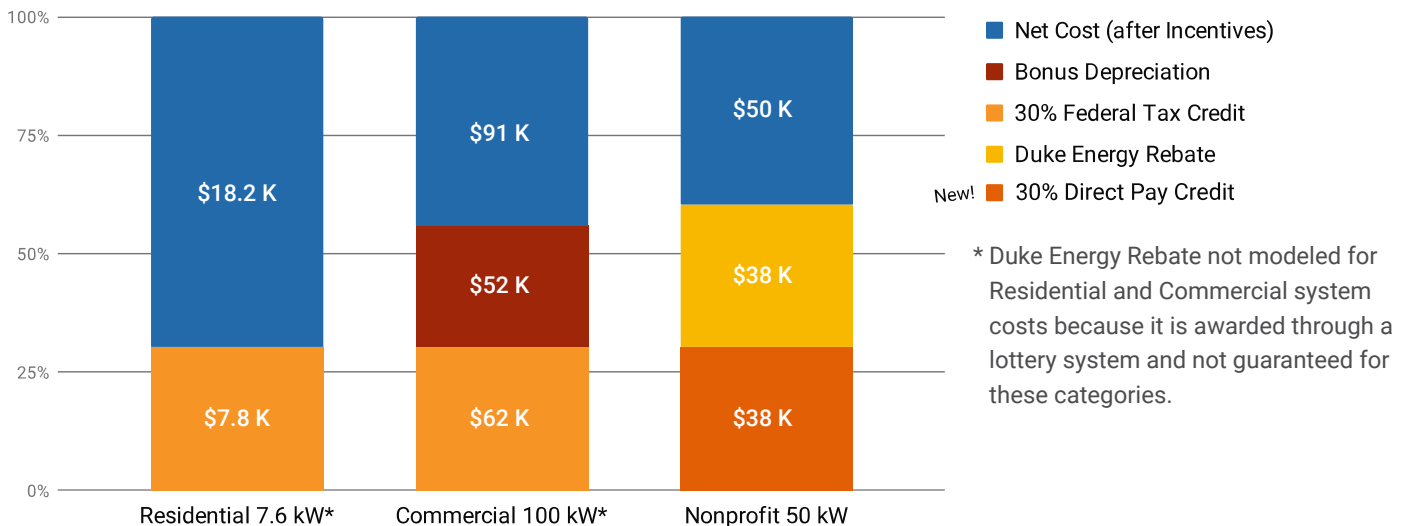
Commercial

Besides the Duke Energy NC Solar Rebate, there are two primary incentives for commercial solar in North Carolina – The 30% Federal ITC for solar and 100% First Year Bonus Depreciation. When you combine these incentives, the cost of a 100kW commercial solar installation drops from around \$205K down to approximately \$106K, which is a 50% discount on the cost of the system!

Nonprofit

The passage of the Inflation Reduction Act introduces a new 30% direct pay tax credit option for nonprofits. When combined with the Duke Energy Solar Rebate, nonprofits can offset as much as 60% of the cost of a solar system! The new tax credit will last for at least 10 years but the Duke Energy Solar Rebate will be gone in January 2023.

Net Cost of Solar System After Incentives





COMMON QUESTIONS

Does battery storage qualify for the rebate?

This rebate is intended for solar systems and is based off the solar system's size. The addition of battery storage does not change the size of the solar system. So with or without a battery, your rebate eligibility won't change. However, the cost of battery storage does qualify for the 30% Federal ITC!

Can you apply the rebate to an existing solar system or to a solar system expansion?

The Duke Energy Solar Rebate cannot be applied retroactively to existing systems. However, if you are expanding your system and install a new inverter with the new panels, the expansion will be eligible for the rebate. Any new solar equipment can receive the 30% Federal Solar ITC.

When should you get started?

The process to design your solar system, complete paperwork, and get the necessary approvals takes several weeks. Reach out now if you're interested in going solar and want to maximize your sunny savings. **We are happy to help answer any questions!**

[BONUS] QUIZ YOURSELF

1. Who can qualify for the Duke Energy Solar Rebate?

- a. Anyone with a permanent address in North Carolina
- b. Homes, businesses, & nonprofits who are Duke Energy customers
- c. Any alumni of Duke University

2. What is the max rebate amount homes / businesses / nonprofits can claim?

- a. \$2,500 / \$35,000 / \$50,000
- b. \$4,000 / \$30,000 / \$75,000
- c. \$10,000 / \$50,000 / \$75,000

3. Are you guaranteed to receive a rebate if you are a Duke Energy customer and install a solar system?

- a. Yes
- b. No

4. How is the Duke Energy 2022 Solar Rebate awarded for homes and businesses?

- a. All Duke Energy customers who install solar in 2022 are automatically awarded
- b. The rebate is awarded through a random selection process for those who submit an online application between July 6-13
- c. The rebate is awarded on a first-come, first-served basis starting when the online rebate application goes live at 9am on July 6

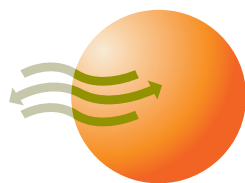
5. How is the Duke Energy 2022 Solar Rebate awarded for nonprofits?

- a. The rebate is awarded on a first-come, first-served basis for those who apply online
- b. The rebate is awarded through a random selection process for those who submit an online application
- c. Nonprofits do not qualify for the Duke Energy Solar Rebate

Answers: b, b, b, b, a



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Free Quote

Southern Energy Management, headquartered in Raleigh, NC, is a team of solar designers and installers, building scientists, and entrepreneurs dedicated to leading the change. Founded in 2001, we've worked for more than a decade to improve the way homeowners, businesses, builders, and developers create, consume, and conserve energy.

We're firm believers that businesses have the power to change the world for the better, and we're committed to working toward that goal each and every day. We believe what you do is important, and we also believe how you do it matters just as much. Because of that, we're proud to be a B Corporation in NC.



What's Next?

Our solar educators are happy to answer any questions and help you get started on your solar journey!

👤 **Dave Anderson**

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