

1

How will your business benefit from solar?

- ☀️ Decreases electricity costs
- ☀️ Protects against future electricity price fluctuations and time of use spikes
- ☀️ Aids in green business certification
- ☀️ Supports Greenhouse Gas Emission Targets for California by 2020
- ☀️ Reduces carbon footprint
- ☀️ Attracts environmentally conscious customers
- ☀️ Low maintenance once installed



FACT 1: A kilowatt (kW) is a measure of electricity use. One kilowatt hour (kWh) equals the use of 1,000 watts of energy for one hour.

FACT 2: PG&E prices electricity based on time-of-use and max KW load. Solar offsets grid energy use during the most expensive periods of the day.

2

Understanding your energy usage

Review your energy bills or use your account number to register and log onto pge.com through the “My Business” portal. Review the various graphs and become familiar with how much electricity your business uses and when it uses the most energy. This information is essential for the design of a cost effective solar system.

An energy audit will help determine how and when your business uses electricity through assessment of building systems and employee behavior. Energy audits identify retrofits and upgrades that will increase energy efficiency and potentially decrease the size of your solar system. Depending on the scope of energy audit that is conducted you can expect to identify:

- ☀️ No-cost operational or maintenance adjustments to heating and cooling settings that will save energy
- ☀️ Short-term, low-cost energy efficiency retrofit like energy efficient lighting upgrades
- ☀️ Action plans for energy efficiency capital investments
- ☀️ Comfort and code issues that can be addressed immediately
- ☀️ Opportunities to improve lighting and comfort standards like replacing intensive overhead lighting and with smaller task lights

4

Selecting a contractor

We recommend you obtain at least three bids from qualified solar contractors
Questions to consider when going solar...

- ☀️ What are their commercial **certifications** and **qualifications**?
- ☀️ Do they possess **licenses** and **insurance**?
- ☀️ Have they completed similar projects and provided several good **references**?
- ☀️ How do they rank at the **Better Business Bureau**?
- ☀️ Do they **subcontract** out any of the work?
- ☀️ Will the contractor support the **warranty** on the solar system?
- ☀️ What kinds of **financing options** do they provide and accept?

For more information on local solar companies consult the City’s Green Building Program solar contractor list at cityofsantacruz.com/greenbuilding or the Go Solar California’s database.

For more information contact our Green Building Program Environmental Specialist at (831) 420-5124



Go Solar Santa Cruz



Commercial Solar

City of Santa Cruz
Climate Action Program





PG&E rebates reduce or cover the costs of many recommended energy efficiency upgrades and retrofits to your building. For more information on rebates see pge.com/en/mybusiness/save/rebates/index.page

We highly recommend that you schedule a free PG&E energy audit by calling **1 (800) 468-4743** or engaging the services of a local certified energy auditor. Completion of an energy audit is also one component of **Green Business Certification**.

Green Business Certification

If an energy audit has been performed for your business, please consider becoming **Green Business** certified. Green Businesses receive free advertising and are recognized as local environmental leaders. To qualify, your business must go above and beyond regulatory requirements to prevent pollution and conserve resources like reducing water consumption, retrofitting lights and other equipment to conserve energy, reducing solid waste going to the landfill and implementing practices that reduce pollution and protect worker safety.

For more details on green business certification see: montereybaygreenbusiness.org

3

How to finance solar

There are number of financing options available to commercial businesses that can help reduce project costs and energy payments.

Direct payment Pay upfront with cash.

State and federal tax credits

Tax credits are available for commercial solar PV installation projects. The Federal Investment Tax Credit provides a tax credit of 30% of the net cost of the system installed. State tax credits and rapid depreciation of solar PV systems can further reduce tax liability and help offset project costs by as much as two-thirds.

Loans

Home Equity line of credit or bank Green Loans are offered by local and national banks and have attractive rates and terms Financing through PACE CaliforniaFirst is a Property Assessed.

Purchase power agreement or lease

Financial arrangements in which a third party developer owns, operates, and maintains the solar PV system on a host customer's property with the host customer agreeing to purchase the system's electric output from the solar services provider for a pre-determined period.

Group purchase

Through collaboration with fellow solar buyers within your neighborhood, the

price of a solar PV installation drops significantly the more buyers added to the group.

Other tax credits

Several tax opportunities are available to businesses that make solar an extremely attractive property upgrade investment.

Financing through PACE

CaliforniaFirst is a Property Assessed Clean Energy program serving the Santa Cruz area. Under this program, property owners in Santa Cruz County may enter into voluntary contractual assessments against their properties to finance energy efficiency and renewable energy projects. The financed amount is repaid over time through annual property tax assessments, the charge appearing as a line item on the property tax bill.

Basic Criteria for CaliforniaFirst:

- Must be property owner
- Must get mortgage lender approval
- Acceptance based on property value and tax history, not personal credit
- Funds a minimum of \$50,000 projects, maximum is determined by property value
- Requires a level II energy audit

Key Benefits of PACE

- 100% upfront financing for approved energy efficiency and renewable energy systems

- Preserves capital and credit line for core business investments
- Property secured; not credit-based
- Lower interest rates (7% for 20 years)
- Repayment obligations on same standing as taxes (senior to all private obligations and stay with the property in the event that it is sold)
- Longer payback term and payments remain with property with change in ownership
- Customized financing for each property
- Decreased utility bills from reduced electric and water usage
- As a property tax line item, can be passed through to tenants in triple net lease and is considered operating expense. See **CaliforniaFirst** for more information on PACE: californiafirst.com/overview.

