Xcel Energy launches 2019 Solar*Rewards Program, with new carve out to serve low-income customers

Xcel Energy opened its 2019 Solar*Rewards Program for residential and commercial customers on Jan. 28, 2019, with approximately $1 million of the $10 million program earmarked for its Income-Qualified Customers program. The low-income carve out is designed to offer solar options to Xcel’s income-qualified customers with limited resources and to those who serve low-income constituents.

General residential qualifiers of Solar*Rewards will receive an annual production incentive of 7 cents per kWh for the first 10 years of the system; general commercial qualifiers will receive 6 cents per kWh for 10 years.

Single-family qualifiers of the Solar*Rewards Income-Qualified Program will receive an upfront payment of $2 per watt and annual production incentives of 7 cents per kWh over the first 10 years. To qualify for the incentive as a single family, applicants must be qualified as a Low Income Home Energy Assistance Program (LIHEAP) or Weatherization Assistance Program (WAP) participant.

Low-income nonprofit and multifamily qualifiers who serve low-income Xcel customers will receive a $1 per watt upfront payment for newly installed solar PV systems and 6 cents per kWh in production incentives for the first 10 years.

New community solar gardens that serve low-income customers will be eligible for a 50-cent per watt upfront payment and 6 cents per kWh production incentive. More details on eligibility criteria and incentives for the Solar*Rewards Income-Qualified Customers Program can be found on the Xcel Energy website.

Xcel Energy’s Solar*Rewards Program was extended for three years by the 2017 Minnesota Legislature, with $10 million allocated for 2019, $10 million for 2020, and $5 million in 2021. It provides customers who install solar PV systems of 40 kW or less with 10 years of annual incentive payments based on the solar energy system’s annual production. Applicants are awarded on a first-come, first-served basis.

Two other Minnesota investor-owned utilities—Minnesota Power and Otter Tail Power—also offer incentives for new solar installations. Minnesota Power provides solar incentives to qualified customers through its SolarSense Program and began taking applications for 2019 on Jan. 7. SolarSense provides rebates to reduce the upfront costs of installing solar, helping make solar energy a more viable option for customers. The program has a $730,000 budget for 2019 and also offers rebates to low-income customers and to community solar gardens serving low-income customers. Otter Tail Power offers a Publicly Owned Property Solar Program that provides cash incentives to publicly owned facilities that install non-residential solar PV systems.

With the 30% federal Residential Renewable Energy Tax Credit still in place this year, declining costs for solar, and utility incentive programs in force, support for Minnesota residences and businesses to install their own solar energy system remains strong. Several other electric utilities in Minnesota voluntarily
offer incentives for customers who install solar energy systems. Check with your utility to see if it offers incentives for new solar energy systems. See the Database of State Incentives for Renewables & Efficiency, which offers a list of information on incentives and policies that support renewables and energy efficiency in the United States.