



# Calculating the True Cost of Solar

How much do solar panels cost? There is no one-size-fits-all answer to this question. The cost to generate 10 kilowatt hours (kWh) per month varies from state to state, neighborhood to neighborhood and even house to house.

This guide will help you understand that calculating the true cost of solar involves more than just learning the sticker price for a photovoltaic solar system. It's also important to realize that your solar panels will start paying for themselves as soon as they're activated. The rate at which they do so will vary according to your specific installation, utility rates, energy use, tax credits and other incentives, and several other factors.



## Cost of the Solar Panels

We take into account your roof size, production needs, sun exposure time and more to determine how many panels—and which SunPower® system models—will be required for your installation.

But before you arrive at this cost, you need to decide how you want to finance your solar installation. If zero money down\* appeals to you, then a lease may be the best fit. SunPower will own the system, and you benefit from paying just a monthly fee.

\* For qualified customers.

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You could also choose to finance or pay cash. This way you own the system. Eventually your electricity savings may amount to more than the cost of the system. That's when solar starts paying you back!

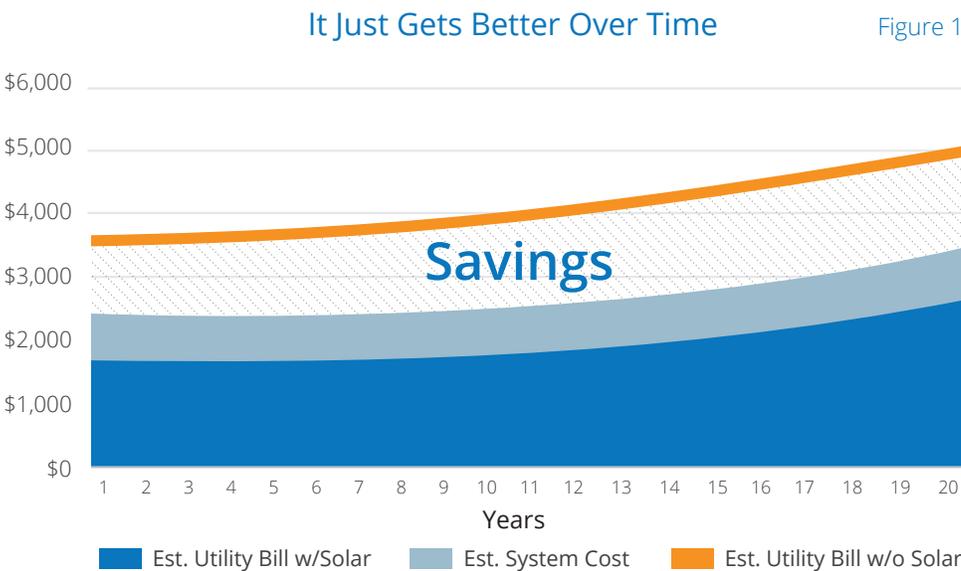
## Cost of Installation

This cost depends on the number of SunPower® panels you need, plus the labor and permitting involved with your installation, as well as current utility discounts, if any. We will assess your roof architecture, angle to the sun and current consumption needs to determine the best fit for you and your home. Our goal is to achieve the optimal production needs to fit your lifestyle and comfort in your home.

## Electricity Savings

You'll get an estimate of what you can save after your initial consultation. Your actual savings will depend on how much energy you produce each month, your utility's net metering policy (whether and how they handle credits for your energy production) and future increases in utility rates (see Figure 1).

From the moment it's switched on, a SunPower panels generate more energy than conventional panels, and keep providing value when other brands fade. Furthermore, SunPower panels are backed by the best 25-year Power and Product Warranty anywhere, so you can rest assured you'll be getting the most from your system.



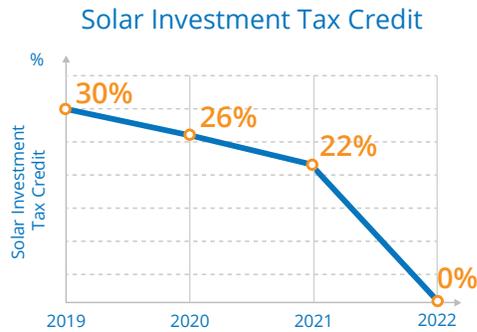
\* This chart assumes a 2% per year utility rate increase. The Federal Energy Information Agency estimates a nationwide annual average escalation of 2% for the relevant time period (Annual Energy Outlook, 2015). Actual savings may vary depending on future utility tier rate structure and rates, your usage, the system's production, and other factors.





## Incentives

The federal Solar Investment Tax Credit (ITC) allows qualified homeowners deduct 30 percent of their solar system's cost from their income taxes.<sup>1</sup> The ITC will remain at 30 percent until 2019, but will drop to 26 percent in 2020, then to 22 percent in 2021 and finally to zero in 2022. If you lease a system, the value of the federal ITC is factored into your monthly payments.



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Additional incentives may be available through your state or local government. Check the [Database of State Incentives for Renewables & Efficiency® \(DSIRE®\)](#) to find out.



## Long-Term Value

There are already market indicators that adding a solar photovoltaic system to a home increases its resale value. A recent study by the Lawrence Berkeley National Laboratory estimates that purchasing solar may increase the resale value of your home.<sup>2</sup>



## The True Cost of Your Solar System

You can see how the financial benefits of going solar can vary for each installation. While costs may vary, this is always true: For the lifetime of your SunPower system, you will be doing your part to make a better future for our planet.

<sup>1</sup> Tax credits subject to change. SunPower does not warrant, guarantee or otherwise advise its partners or customers about specific tax outcomes. Consult your tax advisor regarding the solar tax credit and how it applies to your specific circumstances. Please visit the [dsireusa.org](http://dsireusa.org) website for detailed solar policy information.

<sup>2</sup> Source: Hoen, B., Adomatis, S., Jackson, T., Graff-Zivin, J., Thayer, M., Klise, G., & Wiser, R. (2015). Selling Into the sun: Price Premium Analysis of a Multi-State Dataset of Solar Homes. Based on an analysis of homes with and without solar systems in 8 states (including CA, CT, FL, MA, MD, NC, NY and PA) from 1999 through 2013. Actual impact on home values will vary.

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