



## **HB 3344A Solar Water Heating vs Solar PV RETC Subsidies**

Testimony for House Revenue 5.11.2015 -- Jody Wisner

**Clearly, this bill addresses an important issue. We have two systems of saving energy, that currently cost the same amount per unit of energy produced, but our incentives favor PV over Solar Hot water heating. This is inefficient and illogical, particularly given the fact that the two might co-exist on the same surface and one is more space efficient than the other.**

**However, the solution presented in HB 3344A isn't the only way to address the problem. Since the cost of PV systems has come down significantly, wouldn't a solution that lowers the PV incentive, rather than raising the hot water incentive, accomplish the same purpose? Or an incentive that meets between the two?**

**I'm reminded of when one of my sons ran through his allowance in the first few days of each month. There were two solutions. Increase the allowance, or change the frequency of the allowance. The Legislature might choose to be as prudent as my obvious choice.**

**Bringing down the PV incentive is as logical as increasing the hot water incentive....just a lot less demanding of the General Fund while solving the problem of the unequal incentives.**

**For political reasons, we recommend you meet somewhere around half way, with the cap on incentives for each set at 30%, or \$3000, which is the same as the federal tax credit, or 40%, or \$4000 for a residential system, and equal, though lesser subsidy of the two systems for swimming pools. Depending upon your choice, federal and state taxpayers will be picking up 60% or 70% of the cost of both the solar hot water and the solar PV system of most residential installations, recreating a competitive environment.**