



# Understanding solar quotes

Solar energy is a great energy source. However, a common-sense approach must be used when confronted with sales presentations that sound too good to be true. Understanding solar quotes can help you to make an informed decision. If you are considering solar, contact Craighead Electric Cooperative at 800-794-5012 for help calculating the impact a solar installation will have on your electric bill.

**“Energy independence” and “taking control of energy costs” are phrases that sound empowering and attractive when used.** Remember, the sun does not shine 24/7, and having utility power is still the most reliable source of energy you can utilize. Battery storage options do exist but are very expensive and have their limits.

**FACT** Most solar arrays being installed today require utility power to function. If utility power is off, the solar array DOES NOT continue providing energy to the home.

**Some solar quotes apply a three to four percent annual increase to your current energy rate.** This practice drastically increases estimated savings over time and is simply a tactic to create a sense of urgency in your need to go solar.

**FACT** Over the last five years (2014-2019), residential electric rates averaged a 0.4% percent annual price increase. \*Arkansas has the seventh lowest residential price of electricity. \*Source: U.S. Bureau of Labor Statistics Consumer Price Index

**A tax credit is an allowance by the federal government.** If you meet eligibility guidelines, the qualified amount can be subtracted from the amount of taxes you owe in a given year. A tax “credit” does not necessarily result in a cash-in-hand refund, rather it simply reduces the amount of taxes, if any, that you owe.

**The ability to “eliminate your electric bill” is another claim often made.** For as long as you have electric service from Craighead Electric, there are costs associated with having that service available to you 24/7/365 that must be recovered.

**FACT** With solar, the minimum monthly electric bill you can expect is currently \*\$16.50 plus applicable fees and taxes. \*NOTE: Subject to change.

## BEST PRACTICES:

- Never sign a contract without taking the time to research every claim, promise and figure.
- If you choose to have solar installed, do not oversize your system. Excess production has little value and increases the time it takes to recoup your investment.
- Focus on energy efficiency improvements first. It can reduce your overall energy use, reduce the size of the solar system you need, and can potentially save you thousands of dollars.
- Grid-tied solar installations require utility approval. Check [craigheadelectric.coop/net-metering](http://craigheadelectric.coop/net-metering) for more information.
- Make sure your property or homeowners association or city regulations permit the installation of solar.
- Contact Craighead Electric and let us help you understand the impact installing solar can have on your electric bill.