

Commercial Cost Analysis

System cost is for example only and may not reflect current pricing structures.

Xcel Rebate retained by business.

Project Detail: Roof mount	Size in Kilowatts:	5.775	7.700	9.625
System Cost		46000	58950	70260
A37 Total Incentive rebate	\$3.50/watt	20212	26950	33690
Cash returned	Retained as income	20212	26950	33690
Cost after Rebate		25788	32000	36570
Deposit with order	At signing	5000	5000	8000
Installation Payment		15000	20000	20000
Final Payment		5788	7000	8570
* 30% of System Cost Investment Tax Credit	30%	13800	17685	21078
MACRS first year	(see explanation note below)	8050	10317	12296
Total First Year Tax Benefit		21850	28002	33374
Energy Savings First Year		830	1120	1431
Cost at end of first year		3108	2878	1765
MACRS 2 thru 5 (\$2013, \$2579, \$3074)	Deduction/yr	8050	10317	12296
Cost after 5 years w/o energy savings	Paid off 2 ⁿ - 3 rd yr	4112	6319	9100
Energy Savings (5% inflation) 6 Years		5645	7618	9733
Total Positive Cash flow 6 years		14699	17935	22029
Return on Investment at 6 years		14699	17935	22029
Return on investment at 25 years		48666	63771	80592

* Tax credit based on rebate being retained by customer and declared as income. 30% of total cost of system. Consult with your accountant for rebate recommendation.

Note: Under the federal **Modified Accelerated Cost-Recovery System (MACRS)**, businesses may recover investments in certain property through depreciation deductions. For solar, wind and geothermal property placed in service after 1986, the current MACRS property class is five years. Depreciation calculated as (Total Cost – Fed. Tax Credit ÷ 2) ÷ 5. Federal law allows for accelerated depreciation of 50% of total allowable depreciation in year one.