



CITY OF PROVIDENCE

Learn more about your financing options and incentives

The solar installers you'll meet with will be able to explain the incentives in more detail, but here is a brief overview:

- [Solar Investment Tax Credit \(ITC\)](#): this a federal 30% tax credit for solar systems on residential and commercial properties.
- [Sales Tax](#) and [Property Tax](#) exemptions: Rhode Island has a 100% sales tax exemption for eligible renewable energy materials and a residential property tax exemption.
- [Renewable Energy Fund \(REF\)](#): A Rhode Island fund administered through the Commerce Corporation and Office of Energy Resources that provides grants and loans for small scale renewable energy projects to residents, businesses, and nonprofits.
- [Renewable Energy Growth \(RE Growth\) Program](#): A program administered through National Grid that enables customers to sell the electricity produced by their solar system at a fixed price for 15 or 20 year periods.

Note: You can choose to either participate in the Renewable Energy Growth (RE Growth) Program or the Renewable Energy Fund (REF), but you cannot do both. REF is a grant that helps you pay for the upfront cost of your solar system, which is then tracked through net metering to ensure you receive credit for the electricity produced by your solar system. RE Growth is an alternative to net metering in which National Grid promises to buy the electricity your system produces at a fixed price for a 15 or 20 year period. RE Growth guarantees to solar system owners that their purchase will be a great investment. The credit for net metering is variable, since it is subject to market changes, but all evidence indicates that electricity prices will continue to increase in the coming years, making your solar system a strong investment and competitive electricity source when tracked through net metering. Choose which program to participate in based on your financial needs and abilities.

If you're thinking about purchasing a solar system, explore your financing options:

- **Solar Loans**: Some banks and credit unions offer loans for purchasing a solar system. This is a great option for qualified homeowners, because it's a path to ownership of the panels without needing to have the cash on hand. Find out more about where you may be able to get a loan [here](#).
- **Home Equity Loans or Home Equity Line of Credit (HELOC)**: Find out if your bank or credit union offers home equity loans or home equity line of credit (HELOC) for solar. Your solar installer will be able to recommend the best way to borrow against your home for a loan and explain how the numbers would break down.
- **Additional financing options for businesses** include: Rhode Island's [Commercial Property Assessed Clean Energy \(C-PACE\)](#) and the federal [Modified Accelerated Cost-Recovery System \(MACRS\)](#).