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## AZ legislators push solar-energy bills

By Grayson Steinberg

CRONKITE NEWS SERVICE

As Arizona looks to tap more of its most abundant resource, sunshine, state lawmakers want to help make that happen by creating tax breaks for power plant builders and helping homeowners, businesses and schools convert to solar power.

At least six bills this session address solar energy.

"We certainly have the ability to become the solar capital of the Western Hemisphere," said Rep. Lucy Mason, R-Prescott, who is the primary sponsor for four of the bills.

Mason's HB 2613 would establish a property tax break for power plants generating at least two megawatts of electricity from renewable energy sources and manufacturers of equipment for such sources as solar and wind energy.

Mason said the incentive would help attract businesses that build the components for solar power plants.

"We've been on the radar screen of these industry moguls for quite a while," she said. "The thing that's missing all along is the correct policy programs."

Mason is also pushing HB 2766, broader legislation that would create energy-efficiency standards in commercial and residential construction, schools and state buildings. Another of her bills, HB 2615, would standardize the building permit fees cities and counties charge homeowners and businesses for solar-panel construction.

The Arizona Corporation Commission has mandated that public utilities generate 15 percent of their electricity from renewable sources by 2025.

Bradley D. Collins, executive director of the American Solar Energy Society, a Colorado-based non-profit organization that advocates for solar power, said it will take a combination of tax breaks and pressure on state utilities to make Arizona a solar-energy powerhouse.

Collins said Arizona faces a tough battle against states like California and Nevada to lure the solar power industry here.

"It's a competition among states to put together the most inviting package for manufacturers to locate in a state," Collins said. "It's not an arms race but an incentive challenge."

State tax breaks are already in place for individuals and businesses. For instance, homeowners who set up rooftop solar panels are eligible

### Bills dealing with solar power

Here are some of the bills proposed this session that would help promote the development of solar energy. For more information on these bills or to track their progress, visit [www.azleg.gov](http://www.azleg.gov) and enter the bill number without the space in the search box at top right.

- HB 2613: Would create a property tax break for all power plants generating two or more megawatts of electricity from renewable sources and for manufacturers of renewable energy equipment. Sponsors: Reps. Lucy Mason, R-Prescott, Tom Prezelski, D-Tucson, and Sen. Richard Miranda, D-Tolleson.
- HB 2615: Standardizes building permit fees that municipalities and counties charge for solar panel construction. Sponsors: Reps. Mason, Ed Ableser, D-Tempe, and Michele Reagan, R-Scottsdale.
- HB 2766: Creates energy-efficiency standards for residential and commercial construction, state buildings and schools. Sponsors: Reps. Mason, Chad Campbell, D-Phoenix, and Marian McClure, R-Tucson.
- HB 2614: Allows renewable-energy equipment to be taxed at 20 percent of its normal depreciated value until 2040. Sponsors: Rep. Mason, Sen. Miranda and Sen. Tom O'Halleran, R-Sedona.

for tax credits of up to \$1,000. The credits are even bigger for businesses, with Arizona reimbursing companies up to \$50,000 each to cover the costs of all solar systems installed.

According to Arizona Public Service, adding solar panels to an average home costs around \$21,000. In addition to the state tax break, the utility will kick in around \$9,000 of that cost.

Mason said that if her legislation works, solar-system prices would fall further as more parts are manufactured in Arizona.

Kris Mayes, a member of the Arizona Corporation Commission, said Mason's legislation could lead to construction of more solar projects in Arizona, which now boasts only about 12 megawatts of total solar output.

"I think it's a very important piece of the puzzle when it comes to spurring the renewable-energy industry in Arizona," Mayes said.

Ken Clark, a lobbyist for the Arizona Clean Power Alliance, an organization that advocates for a consortium of about half a dozen energy developers, said the solar power industry still has a long way to go before it can provide easily affordable solutions.

"The more of this stuff we install, the cheaper it's going to get," Clark said. "The reason arguably renewable energy is not as cheap as gas or coal is that we're only just starting to build these things in large scale. We've been building coal- and gas-fired plants for 100 years."

Mason said HB 2766, which she calls the Omnibus Energy Act of 2008, would help encourage solar power through the energy-efficiency standards it would require of construction. Among other things, the bill would require that by 2013 all state agencies, universities and school districts receive 10 percent of their energy from renewable sources and mandate that public buildings reduce energy use 30 percent from 2001 levels by 2030.

HB 2615, which deals with permits for home solar systems, would help combat the perception that some homeowners and businesses are paying too much for such permits, Mason said. For instance, cities and counties could only charge fees of \$200 to \$300 for home system permits.

"It's about keeping a reasonable fee attached to these inspections and permitting," Mason added.

HB 2738, sponsored by Rep. Steve Farley, D-Tucson, would establish a state grants program that would fund installation of solar technology at schools.

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