

Rhode Island Solar Incentives

Combined state and federal policies and incentives encourage solar adoption in the Ocean State

Solar energy is an effective and sustainable solution to reduce energy expenses with significant environmental benefits. Besides the [Federal Investment Tax Credit \(ITC\)](#), which was designed to encourage nationwide solar adoption, the state of Rhode Island also offers financial incentives to commercial entities for going solar through two programs: [Renewable Energy Fund \(REF\)](#) and [Renewable Energy Growth \(REG\)](#)*.

The Federal Investment Tax Credit

According to the Federal Inflation Reduction Act of 2022, the ITC now covers 30% of your system's installation cost. Additionally, projects meeting specified domestic content requirements receive up to a 10% bonus credit, while those located in eligible low-income areas receive up to an additional 20% bonus credit.

The Renewable Energy Fund

The REF offers grants to eligible behind-the-meter projects, providing up to \$75,000 to each project. Combined with the federal ITC, a REF grant can reduce payback periods to 5 years or less. The grant is awarded on a first-come, first-served basis and applications are accepted through three (spring, summer, and fall) open enrollment periods.

Click [here](#) to learn more about REF.

The Renewable Energy Growth Program

The REG program enables customers to sell produced energy under long-term tariffs at fixed prices. Participants enter into a 20-year Power Purchase Agreement and receive monthly incentive payments. Notably, REG is a standalone program, meaning the generated electricity immediately enters the grid instead of being used on-site.

Click [here](#) to learn more about REG.

Net Metering

Net metering allows businesses and organizations with eligible renewable energy systems to receive bill credits for all power generated up to 125% of on-site consumption during a billing period. Public entities can leverage virtual net metering with renewable energy developers for up to 10 MW per project site.

Partner with Solect to design and install the most cost-effective solar energy system for your organization, tailored to your financial needs, business objectives, and site requirements. For more, visit solect.com, email us at info@solect.com, or call us at (844) 978-0888.

*A billion dollars have already been invested to encourage solar in the state of Rhode Island.

(Data courtesy: SEIA, the Q4 2022 report)