# HILLIE GROUP

# **Alabama Power Solar Buy Back**

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#### The Solar Buyback Dilemma

Ever wondered why Alabama ranks 49th in U.S. solar adoption despite 218 sunny days a year? The answer lies in Alabama Power solar buy back policies. Unlike California or Germany - where utilities pay retail rates for excess solar energy - Alabama Power offers just 5 cents per kWh through its "Renewable Energy Producer" program. That's 60-70% less than what homeowners pay for grid electricity.

Wait, no - let's clarify. The 5-cent rate applies to systems under 25 kW. For larger installations? You'll need special approval and face additional fees. This creates what solar advocates call a "sun tax," effectively discouraging residential solar expansion. Imagine investing \$20,000 in panels only to get pennies back for your surplus energy. Doesn't that feel like bringing a knife to a gunfight?

#### How Alabama Compares

Let's put this in perspective. Germany's feed-in tariff pays solar producers 8-12 cents/kWh. California's net metering 3.0 offers 20-30 cents. Even neighboring Georgia Power provides 14 cents. Alabama's approach? It's like using a flip phone in the 5G era - technically functional, but embarrassingly outdated.

The math gets real: A typical 6 kW system in Birmingham generates 900 kWh monthly. Under Alabama Power solar buy back rates:

Exported energy value: 900 kWh x \$0.05 = \$45Equivalent grid cost: 900 kWh x \$0.15 = \$135

That's a \$90 monthly gap - enough to stretch your ROI from 8 years to 14. Would you wait that long?

### Making Solar Work in the Heart of Dixie

But here's the twist - solar adoption in Alabama grew 23% last year despite the hurdles. How? Savvy homeowners combine federal tax credits (still 30% through 2032) with battery storage. Pairing Tesla Powerwalls with solar panels lets you dodge low buyback rates by storing daytime energy for night use. It's like having your cake and eating it too - minus the utility's crumbs.



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Take the case of Mobile resident Sarah K.: "We installed 8 kW solar plus two batteries in 2022. Our power bills dropped from \$180/month to \$12. Even with Alabama Power's solar buy back rates, we break even in 9 years." Her secret? Maximizing self-consumption and using time-of-use patterns.

## The Battery Breakthrough

Lithium-ion prices fell 89% since 2010, making storage viable. For \$15,000 (pre-incentives), you can add 13 kWh backup - enough to power essentials during Alabama's frequent thunderstorms. Combine this with smart load controllers, and suddenly solar buyback programs become less critical. It's not perfect, but hey - since when did Southerners shy away from a little creative problem-solving?

### Your Burning Questions Answered

Q1: Can I completely disconnect from Alabama Power?

Technically yes, but off-grid systems require \$30k+ investments. Most keep grid connections as backup.

Q2: Are there legislative changes coming?

The "Solar Access Act" died in committee last session, but advocacy groups plan to reintroduce it in 2024.

Q3: How does Alabama compare to Australia's solar policies?

Australia offers feed-in tariffs up to 15?/kWh - triple Alabama's rate - plus rebates covering 30% of installation costs.

So there you have it - the good, the bad, and the sunny possibilities. While Alabama Power solar buy back policies might feel restrictive, determined homeowners are finding ways to make solar pencil out. After all, as any good Alabamian knows: where there's a will (and plenty of sunlight), there's a way.

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