

**PROPOSED UTILITY SCALE PHOTOVOLTAIC SOLAR FARM  
30 YEAR LIFE  
200% DECLINING BALANCE**

YEAR ACQUIRED	AGE	PROPOSED COST INDEX	PERCENT DEPRECIATION	PERCENT GOOD	PROPOSED CONVERSION FACTOR
2025	0	1.00	0.0	100.0	1.0000
2024	1	0.93	7.0	93.0	0.8649
2023	2	0.87	13.0	87.0	0.7569
2022	3	0.81	19.0	81.0	0.6561
2021	4	0.76	24.0	76.0	0.5776
2020	5	0.70	29.0	71.0	0.4970
2019	6	0.64	34.0	66.0	0.4224
2018	7	0.57	38.0	62.0	0.3534
2017	8	0.51	42.0	58.0	0.2958
2016	9	0.45	46.0	54.0	0.2430
2015	10	0.40	50.0	50.0	0.2000
2014	11	0.35	53.0	47.0	0.1645
2013	12	0.30	56.0	44.0	0.1320
2012	13	0.25	59.0	41.0	0.1025
2011	14	0.21	62.0	38.0	0.0798
2010	15	0.17	64.0	36.0	0.0612
2009	16	0.13	67.0	33.0	0.0429
2008	17	0.10	69.0	31.0	0.0310
2007	18	0.06	71.0	29.0	0.0174
2006	19		73.0	27.0	
2005	20		75.0	25.0	
2004	21		77.0	23.0	
2003	22		79.0	21.0	
2002	23		81.0	19.0	
2001	24		83.0	17.0	
2000	25		85.0	15.0	
1999	26		87.0	13.0	
1998	27		89.0	11.0	
1997	28		91.0	9.0	
1996	29		93.0	7.0	
1995	30		95.0	5.0	
Residual			95.0	5.0	

**Highlighted columns are proposed changes/replacements.**

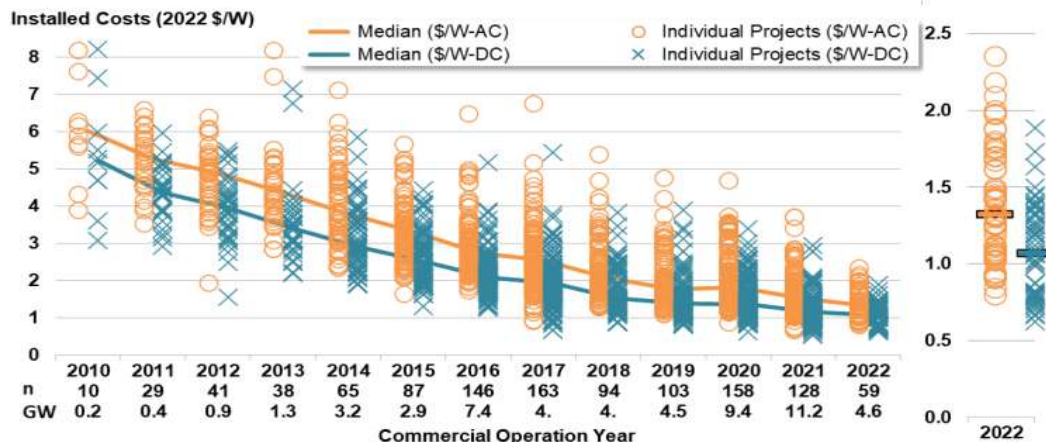
**Used 2022-2023 data from Berkley Labs.**

**30 years of solar data unavailable.**

**Currently, solar data only goes back to 2007.**

# Median installed costs of PV have fallen by 78% (or 10% annually) since 2010, to \$1.32/W<sub>AC</sub> (\$1.07/W<sub>DC</sub>) in 2022

Sample: 1,126 projects totaling 54.2 GW<sub>AC</sub>



Despite inflationary pressures, utility-scale solar costs continued to decrease from \$1.5/W<sub>AC</sub> in 2021 to \$1.3/W<sub>AC</sub> in 2022.

The lowest 20th percentile of project costs fell in real terms from \$1.2/W<sub>AC</sub> (\$0.9/W<sub>DC</sub>) in 2021 to \$1.1/W<sub>AC</sub> (\$0.8/W<sub>DC</sub>) in 2022.

The lowest-cost projects among the 59 data points in 2022 are now around \$0.9/W<sub>AC</sub>.

Historical sample is robust (covering 97% of installed capacity through 2021). 2022 data covers 40% of new projects or 44% of new capacity.

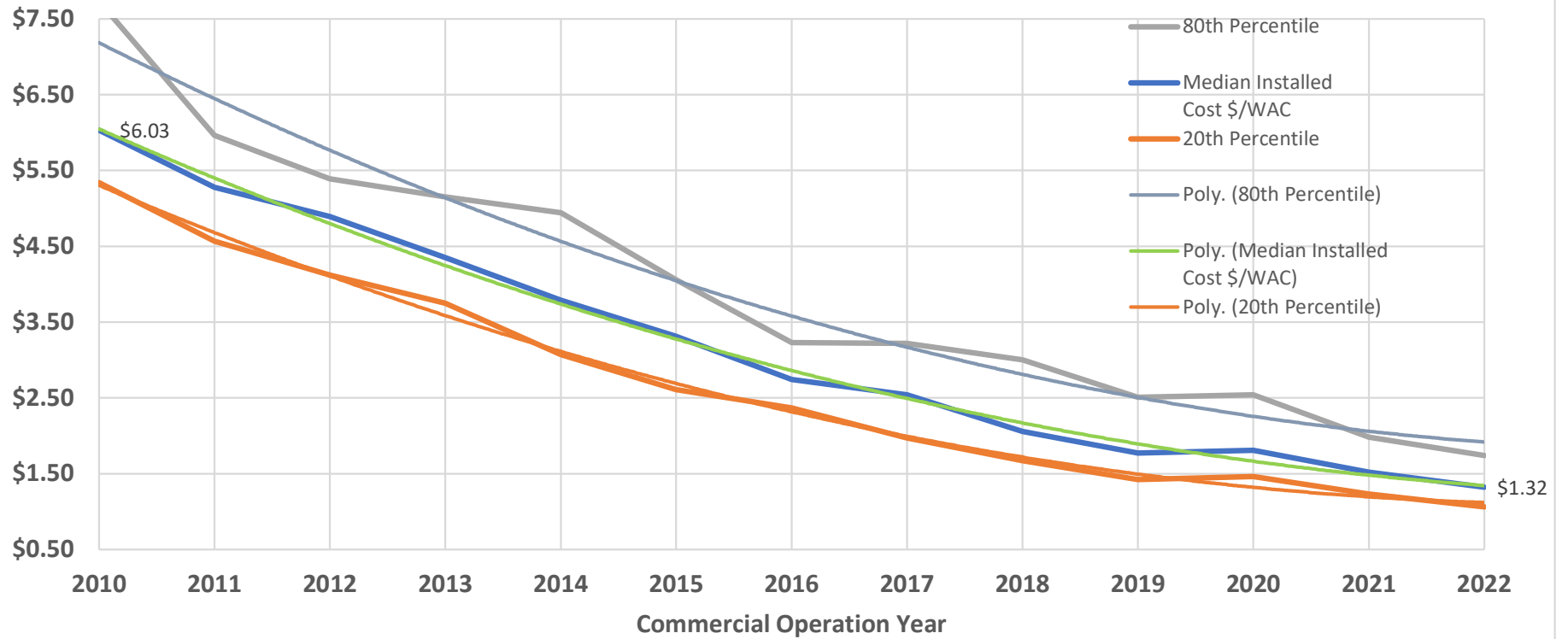
**Note on solar costs and inflation:** We adjust costs to account for general inflation using BEA's [implicit price deflators](#). As a result, costs for past years are 7% higher when expressed in \$2022 compared to last year's report. Conversely, decreasing solar costs in real terms indicate that solar projects find at least some savings relative to the wider economy, even if prices may rise in nominal terms. Compared to the previous year, \$/W<sub>AC</sub> costs fell both in real (-13%) and nominal (-8%) terms in 2022 in our sample. \$/W<sub>DC</sub> costs decreased by 8% in real and 6% in nominal terms.

This sample is backward-looking and does not reflect the costs of projects built in 2023/2024.



## Installed Costs (in 2022 \$W<sub>ac</sub>) Have Fallen 78% Since 2010

Sample: 1,126 Projects Totaling 54,200 MW<sub>AC</sub>



### 30-Year Life Table based % Good vs Market Based Installed Cost | Predictive Analyses

Chart 1			Chart 2	
Year Built	Statutory 25-26 Personal Property Manual 30-Year Life Table Percent Good	Market Based Installed Cost Index (Current Market Advantage Factor)	Statutory 25-26 Personal Property Manual 30-Year Life Table Percent Good	Trend Line Predicted Installed Cost Index (Current Market Advantage Factor)
2025	1.00	1.00	1.00	1.00
2024	0.93	1.00	0.93	1.00
2023	0.87	0.97	0.87	0.92
2022	0.81	0.92	0.81	0.85
2021	0.76	0.80	0.76	0.77
2020	0.71	0.67	0.71	0.70
2019	0.66	0.68	0.66	0.64
2018	0.62	0.59	0.62	0.57
2017	0.58	0.48	0.58	0.51
2016	0.54	0.44	0.54	0.45
2015	0.50	0.37	0.50	0.40
2014	0.47	0.32	0.47	0.35
2013	0.44	0.28	0.44	0.30
2012	0.41	0.25	0.41	0.25
2011	0.38	0.23	0.38	0.21
2010	0.36	0.20	0.36	0.17
2009	0.33	0.21	0.33	0.13
2008	0.31	0.22	0.31	0.10
2007	0.29	0.10	0.29	0.06
2005				
2006				

Statutory % Good vs Trended Est. Market Based % Good (Polynomial Regression Trends)

