

North Carolina Department of Revenue

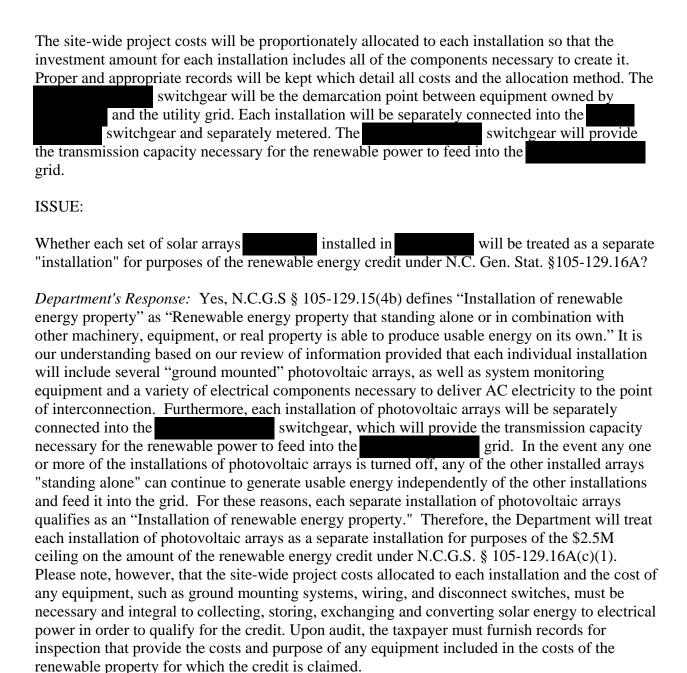
Beverly Eaves Perdue Governor David W. Hoyle Secretary

June 12, 2012

Re: - Request for Letter Ruling Renewable Energy Credit - Separate Installations
Dear :
This letter is in response to your letter dated , wherein you requested that the North Carolina Department of Revenue ("Department") issue a ruling advising whether each set of solar arrays installed in will be treated as a separate "installation" for purposes of the renewable energy credit under N.C. Gen. Stat. §105-129.16A.
The statement of facts submitted for the Department's consideration is as follows:
proposes to install a series of stand-alone solar photovoltaic installations on its property in . All electricity produced will be sold to the local utility, . Each distinct installation will produce energy independent of the others, and each will be separately metered and interconnected to at the substation located at the . In addition, each installation will have its own Purchased Power Agreement ("PPA") with .
The technology for each installation is similar, though the installations may vary slightly in their individual power generation capacity. In addition to the utility meter and interconnect, each individual installation will include several "ground mounted" photovoltaic arrays (composed of

The technology for each installation is similar, though the installations may vary slightly in their individual power generation capacity. In addition to the utility meter and interconnect, each individual installation will include several "ground mounted" photovoltaic arrays (composed of PV solar panels and racking and mounting systems set into the ground to support the panels and maintain them at the appropriate solar orientation), as well as system monitoring equipment and a variety of electrical components necessary to deliver AC electricity to the point of interconnection. These include, as examples, electrical distribution wiring, combiner boxes (photovoltaic string combiner switchboards), inverters to convert DC power to AC power, and transformers.

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This ruling is based solely on the facts submitted to the Department of Revenue for consideration of the transactions described. Your statement of facts and our findings are subject to audit verification. If the facts and circumstances given are not accurate, or if there are other facts that were not disclosed that might cause the Department to reach a different conclusion, then the taxpayer requesting this ruling may not rely on it. A letter ruling is not equivalent to a Technical Advice Directive that generally affects a large number of taxpayers. If a taxpayer relies on this ruling and the Department discovers, upon examination, that the fact situation of the taxpayer is

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different in any material aspect from the facts and circumstances given in this ruling, then the ruling will not afford the taxpayer any protection. It should be noted that this document is not to be cited as precedent and that a change in statute, a regulation, or case law could void this ruling.

Should you have any questions, please contact me.

Very truly yours,

