

Going solar

Solarize Eugene campaign keeps costs down for homeowners

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Homeowners will install double the number of solar photovoltaic arrays in Eugene this year, if the Eugene-based nonprofit Resource Innovation Group meets its goal.

Last year, 54 systems hit the city's home roof tops, up from 29 the previous year and three systems five years ago.

The group's Solarize Eugene campaign is meant to spur the technology by reducing the cost, the complexity and the homeowner inertia that stops people who are interested in the roof-top power from biting the photovoltaic bullet.

They are the Eugene residents who get jazzed on the idea of solar power each week and call up Colleen Wedin, a specialist with the Eugene Water & Electric Board energy management program.

They are "tire-kickers," she said, "Who go, 'Oh no, really? It costs that much?' And then they hang up."

Now, Sarah Mazze, program manager at the Resource Innovation Group, is leading the tire-kickers through the maze of technical, financial and consumer issues to what, she says, is a good deal.

A homeowner installing a three-kilowatt system, for instance, who can pay up to \$10,000 up front may be able to eventually recover all but \$140 of their investment through incentives from the EWEB and the state and federal governments, Mazze said.

And then the power they collect in subsequent decades, after the system is paid off, is free for the next 20 to 50 years, the group says.

Resource Innovation Group is overseen by Bob Doppelt, who teaches sustainability courses at the University of Oregon.

Although Solarize Eugene is not an EWEB program, the utility gave the group a \$47,000 grant to manage the work and report on the results.

Solarize Eugene has taken a lot of the legwork out of installing solar arrays. Mazze solicited proposals from local installers, vetted those who applied and contracted with a consortium of five of them to do installations for the solarize program. The five installers, all based in Lane County, are Green Store, Advanced Energy Systems, Pacific Solar and Rain, Solar Assist and Energy Design.

The prospect of work is a godsend for an industry that shriveled in the recession.

"It has had somewhat the same slump as the construction industries have," said Vince McClellan at Energy Designs. "I have people laid off right now."

The five companies employ 40 skilled laborers, designers and office staff — many of whom are graduates of the Lane Community College sustainability program, Mazze said. A boost in solar installations would mean more apprenticeships and more full-time jobs for industry workers who have only part-time work today, she said.

To spur tire-kickers into action, Solarize Eugene is offering an early-bird discount of 10 cents per watt (amounting to about \$300 on a 3-kilowatt system) to those signing up before May 1. The city of Eugene also has offered a \$100 reduction in building permit fees to the first 25 participants.

"If you have the (right) roof and you have — or can get — the financing, this is a crazy good deal, a one-year payback and free power for 25 years or more," Mazze said. "Once the word gets out about that, the systems should be flying out of the warehouse."

The systems are under warranty for the first 20 years but can last up to 50, according to the group.

The Solarize Eugene campaign ends June 15. Thirty homeowners have signed up so far.

The program organizers narrowed down the panel choices to two models: One made in Oregon and another made in China. The Oregon model costs 32 cents more per watt than the China-made panels, but the program wanted to give buyers the option to help keep jobs in the state.

The installers in the Solarize Eugene project can buy systems in bulk and also save marketing dollars and the downtime it takes to explain photovoltaic systems because the nonprofit group educates customers and delivers them to the contractors, which helps to keep costs down, the group said. A half-dozen community workshops are scheduled in Eugene between now and mid-June.

The concept behind Solarize Eugene started in Portland in 2009 and has spread throughout the state from the Rogue Valley to Clackamas to Pendleton.

The Eugene program is limited by the availability of EWEB incentives — of up to \$6,000 per system — needed to keep the cost to the homeowner low.

For an April 16 enrollment, the utility has \$120,000 worth of incentives to give out, which can accommodate 20 homeowners, if they all get the maximum sum.

For the following enrollment period, in July, EWEB has \$70,000 to distribute, but the utility may be able to boost that sum, Wedin said. “It’s pretty exciting, and it’s unfortunate that we’re all restricted by budgets.”

The Solarize Eugene program can’t eliminate all the hurdles to solar power for every homeowner. Their roofs, for example, have to be mostly unshaded and in good shape.

Participants also have to be able to write a check for as much as \$10,000 up front — or get a loan for that amount. The Umpqua GreenStreet Lending program is offering no-fee loans with interest rates of 4 percent to 7.25 percent to Solarize Eugene participants who qualify.

For homeowners to get their investment back from the state and federal tax incentives, participants must have a sufficient tax liability, Wedin said. “It’s not a rebate. It’s a tax credit. If you don’t have tax liability, you can’t claim it.”

Further, the state tax credits are limited to \$1,500 a year, so a participant qualifying for the full \$6,000 tax credit would claim it over four years. The federal tax credit is for 30 percent of the system’s cost.

Wedin said she is careful not to underestimate the payback period with the homeowners she speaks with.

“See me in five years and we’ll talk about what your out-of-pocket cost is, once you’ve claimed all those credits and incentives,” she said. “Things change. People’s lives change. There’s a little gamble in that.”

On the other hand, Mazze said, photovoltaic arrays are a bargain right now.

The cost of panels from China dropped by half in about two years, McClellan, the installer, said. But U.S. trade officials are considering an anti-dumping complaint against China’s solar-panel makers and are expected to put duties on the imported panels, which would drive up the price.

At the same time, governments are reducing or eliminating incentives for solar installation, Mazze said.

“This is kind of a sweet spot right now in terms of the price and the incentives that are available.”