

Under Development

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Solar Applications Highly Practical for Commercial Buildings

Electrical power derived from solar installations is becoming increasingly viable in commercial buildings as two recent examples show.

Seventh Street Development, for example, recently showed solar electrical alternatives to buyers of industrial buildings at its Waterman Business Center in San Bernardino, California. According to principal Craig Furniss, Waterman is a 191,000-square-foot commercial center that features 10 new, free-standing industrial buildings ranging in size from 9,543 to 29,057 square feet and two business condominium buildings offering office and industrial units between 2,068 and 10,464 square feet.

Waterman is working with Irvine, California-based Suntlet to offer buyers five different solar system options sized from 3,300 watts to 19,800 watts, which will be customized to the energy needs of each user. The various packages include the installation of the solar panels, the inverter to convert solar power to AC power, and a computerized controller that regulates the system and directs unused power back to the utility.

"Buyers will receive an immediate return on their energy investment," explained Furniss. "Seventy to 80 percent of the cost of the system is being subsidized with rebates and tax savings through accelerated depreciation, with the remainder being paid off by energy savings." Furniss added that if buyers finance a properly sized solar system, they can see positive cash flow the first year.

'Solar as a Service' Recurrent Energy, a firm headquartered in San Francisco, offers a much different approach. Arno Harris, president of the company, has a program called "Solar as a Service," which he said overcomes barriers that historically have prevented property owners from deploying solar power on a widespread basis. It delivers all of the benefits of onsite solar generation-guaranteed electricity pricing, carbon emissions reduction and green marketing appeal without upfront costs or operation risks, according to the president.

"In creating 'Solar as a Service,' our goal is to transform the solar industry from selling a large solar system to a building owner to really selling solar-generated electricity at competitive rates and making it much more of a no-brainer for the owner and tenant."

Harris said that the key to opening up that market is really packaging solar in a way that is attractive for the owners of those buildings and overcoming some of the barriers that have traditionally kept solar from being widely adopted by institutional property owners. "There is a great perception out there that the issue is cost," he stated. "The reality is that in markets like California, New Jersey, Maryland and other places, with the incentives that are in place, cost is not the issue. Solar power can be offered at a competitive price."

How does Recurrent Energy do it? It builds, owns and operates the system on the commercial building roof and then sells the electricity to the tenant and owner. "We basically can offer electricity that is guaranteed at a reasonable rate. How do we make sure that everyone benefits? The owner gets the electricity at a competitive rate and we become the top-floor tenant in the building," he said. "We are leasing the rooftop space and paying the owner roof rent. What is great about this for the owner is that they are making incremental income from the building without making any capital improvement to the building."