



These are the good old days: What's driving the solar phenomenon on Long Island?

September 27, 2010 - Green Buildings

The demand for solar power has been incredible. People are finally "getting it." I think the concept of solar energy has always been solid but the economics have not been favorable until now. In the past the equipment has been expensive and the payback period was way too long for it to make sense.

Now we are in a perfect storm, but the good kind. Here is what is driving the solar phenomenon on L.I.:

1. Equipment prices have come down drastically. A combination of the lower price of silicone and high demand that spurred mass production, have driven prices down a lot this year.
2. LIPA rebates are still in place. Although not as generous as they once were, they are still substantial. The main reason for the drop in rebates has been the unexpected demand. LIPA wants to keep the program going but resources are limited. This kind of puts the pressure on clients to get their paperwork in before the rebate reduces. We can do that for you for a nominal fee and if you want to, you can withdraw at any time.
3. Sizable state and federal tax credits are available. NYS will pay 25% of the cost of your PV system, capped at \$5,000. The Federal government will pay 30%, no cap. The debate on whether the cost is pre or post rebate is still ongoing but either way, it's a nice tax break. Between the LIPA rebate and tax credits, someone else is paying about 80% of the cost of your system but you are getting 100% of the benefit. Pay back periods are between 5 and 6 years in most cases.
4. Many towns have simplified or eliminated the permits needed for solar power. Some towns dropped the requirement all together, and some do not require a town inspector to come on your property. They will accept a private engineer and/or electrical inspection. This way you don't have to worry about a fence that is 6" past where it is supposed to be or whatever else the town can bug you about.
5. Low interest rates. If you want to finance, the rates are at a historic low right now. Plus, through our partnership with Sperry Federal Credit Union and The Great Green Race, you will receive an additional .25% discount for green projects. If you have money saved, you're not earning anything significant in the form of interest from your bank, so why not invest in solar and enjoy a 15 - 20% rate of return?
6. Solar power just makes sense, in every way. No pollution, no noise, no foreign oil, no oil spills, no danger of explosion, no significant environmental impact at all, and NO LIPA. What's better than that?

It's just a wonderful time for solar power on L.I.

Joe Milillo is a founder, VP of marketing at Long Island Power Solutions, Bohemia, N.Y.

