



New Rebates for Solar Water Heating

Solar water heating is poised to grow like solar electricity has here in Nevada County thanks to new rebates from PG&E. Nevada County has been a hot bed for solar energy since I moved here in 1979. Nevada City was recently recognized as having the most solar electric installations per household in the California Solar Cities Report. And, despite the recession, we've seen a significant increase in our solar installations this year probably because it's cheaper to go solar in most cases.

Even with the recent drop in rebates from PG&E, solar electric systems have been flying off the shelves. It's actually been a record-breaking year! Could the recession finally be waking people up to the concept of economic sustainability? We have a customer in Grass Valley, for example, that we're installing a system for this month that paid PG&E an average of \$365/month for electricity this past year. But once their system is installed they'll be paying an average of \$291/month for the next year, and that includes the cost of their loan! In 2011 it will be down to \$276/month, and every year they'll be paying less and less. And by the time their loan is paid off in 10 years they'll be getting 80% of their electricity "free" from the sun and saving \$517/month.

But now, at long last, it's time for solar water heating to come back to life, and the new rebates will help this happen. I say "back to life" because solar water heating was very popular here back in the 1980's. I've serviced many of those 1980 vintage systems recently, fixing them up for another 25 years of service. What most people don't appreciate is that, even without rebates, solar water heating is cost effective if you heat your water with propane gas. It's even more cost-effective if you heat your water with electricity. But because of the low cost of natural gas it hasn't been as cost-effective in that case. The rebates will change that and, along with the full 30% tax credit on the installed cost (after rebate), make solar water heating more cost-effective than ever.

The details are still a little bit sketchy as the rebate program won't be in place until January 1st, but I'll give you some tidbits for now –

- You must be a customer of PG&E.
- The rebate will be retroactive to July 2009.
- Like the rebate for solar electric systems, the rebate will be reduced over time.
- Residential rebates will be as high as \$1,875 and commercial rebates (including multi-family residential) as high as \$150,000.
- The rebate level is adjusted for the performance of your system, accounting for shading.
- Collectors must have a 10 year warranty; it's up to 5 years for other parts and 1 year for labor.
- All systems must have SRCC (Solar Rating and Certification Corporation) ratings.

I'll cover this subject again in a future issue as more details emerge. In the meantime, if you haven't already "gone solar" what are you waiting for?

Ray Darby is President of Sustainable Energy Group Inc., a Grass Valley company offering energy efficiency and solar services for residential and commercial buildings, from comparing the alternatives through installation and servicing of energy systems of all types. You can reach him at 530-273-4422, via email RayDarby@SustainableEnergyGroup.com, or visit their web site at www.SustainableEnergyGroup.com.