Dear Mayor Masters and City Council,

I just wanted to take this opportunity to share a few thoughts on the Retrofit Rebate Program (RRP) on behalf of Wascana Solar Co-op.

First, we just want to thank the city for its desire to take concrete steps to address climate change. It's great that the city is trying to implement the RRP right away, but we question whether a program like this will address the biggest hurdle to energy-efficient retrofits—the upfront capital cost. Saskatoon, Edmonton and other cities run a Property Assessed Clean Energy (PACE) program and we would like to see our city set aside budget money to make this happen as well. We understand that a PACE program is not a silver bullet, and that there are still many unknowns with such a program (please see the attached brief from Martin Boucher on the topic - “Accelerate the pace of local energy innovation in Saskatchewan”).

Second, I would like to share a few thoughts from Will Ingenthron, our Group Buy Director. Will questions whether this will be a well thought out program. Arguably, it may even hurt solar development in Regina.

Here’s what Will had to say based upon his experience of working with our members who have been getting solar installations the past couple of years:

“So people are aware, customers are getting 15 year paybacks on the systems I am putting together today, this is before $5,000 from the greener homes and ~$1,000 Saskatchewan home retrofit tax rebate. When you include those, some projects are hovering around 10 year paybacks. If you add another $5,000 that means people with a moderate home with a moderate system build, will be getting their system for very cheap. The word will get out and once 80 homes are done people will no longer purchase systems - they will wait for the next rebate. What this means is a start stop, start stop industry which is generally detrimental to pricing and overall uptake.

Only just this Spring have we started to see an uptick in interest since the provincial government stopped their 20-25% rebate on top of devaluing the value of solar put on the grid by about 50%. This has been a 2.5 year solar install hiatus because of the project economics shock and now there are no installers to do the work. It may seem like a good idea at first but I believe it will actually end up with less installations overall. A few temporary inexperienced installers will pop up again and they will overcharge soaking up the taxpayers money while doing poor work. Why not offer a more moderate and sustainable amount with a clearly communicated long term plan? [or, shelf the program and put the money towards the creation of a longer term program like PACE].

Our last Group Buy had systems installed at ~$2.40 to $2.60 per Watt (including an 8% WSC charge). Please take a look at the following economics:

6 kW system ~ $15,000 which is roughly a 15 year payback

$15,000 - ($5,000 federal rebate) - ($1,000 SK home retrofit tax rebate) = $9,000 system, $1.50 per Watt installed which is roughly a 10 year payback
$9,000 - ($5,000 City of Regina rebate) = $4,000 system, $0.67 /Watt system for the first 80 people that learn about it through word of mouth.

$5,000 for only 80 homes will deter people that miss the City of Regina rebate from getting solar. If another $5,000 is scheduled and communicated to the public it will be a frenzie and the couple of installers that are here will significantly increase their prices soaking up the rebate."

I hope that these thoughts from Wascana Solar Co-operative are helpful as Council considers the way forward.

Thanks,

Josh