

Solar sector powers up

The state's emerging industry is gaining momentum

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Published 8:40 pm, Saturday, December 3, 2011



Kevin Bailey, owner of High Peaks Solar talks about his business on Wednesday, Nov. 30, 2011 at a farm in Schuylerville where his company installed the solar panels. (Paul Buckowski / Times Union)

At [Barber Brothers Dairy Farm](#) in Schuylerville, [Kevin Bailey](#) sees the potential for New York state's emergent solar industry. Bailey is owner of High Peaks Solar, a Troy company that installs solar electric systems.

Although government subsidies for solar-electric installations in New York state have shrunk in recent years, Bailey says his

business is thriving.

He's found a niche selling large solar systems to farms.

Unlike many who fret that the U.S. solar industry is fighting a losing battle against the Chinese — who have become the largest producers of solar panels in the world — Bailey likes his prospects in the solar business. He is planning to double his workforce to 14 people in the coming months to keep up with his backlog of projects.

In many ways Bailey represents hope for the future of the state's solar industry, which has gained momentum recently with the creation of a \$400 million solar manufacturing consortium at the University at Albany's [College of Nanoscale Science and Engineering](#).

General Electric Co., which is building a large solar panel manufacturing plant in Colorado, has promised 100 jobs associated with that effort here in the Capital Region, which is expected to vie for a second GE plant should the first one succeed.

Bailey says the mix of government-sponsored financial incentives, including a 30 percent federal tax credit, can reduce a project's costs significantly.

In places like Schuylerville, where farmers desperately cling to the land, anything that makes them more self-reliant also increases their chances of survival. That became clear in the wake of Tropical Storm Irene, which knocked out power and ruined crops.

"We're just seen a greater increase in interest, especially after Irene," said Bailey. "People were reminded of the vulnerability of the electrical system."

Bailey also suggests that because of the volatility of the energy and financial markets, spending money on a solar system provides a greater and more predictable rate of return. Not only

do the systems typically pay for themselves within a few years, any unused electricity can be sold back to the utility. And because of the open spaces they have, farms can maximize their electric generation by being able to mount their panels on poles to adjust to the sun's position in the sky. At 25 kilowatts, the Barber Brothers solar energy system is the largest possible allowed under law to maximize sales back to [National Grid](#).

"It's one of the more attractive investments people can make these days," Bailey said. "Farms are one of the most important sectors in the state in terms of putting solar in."

Installers like Bailey who have the proper electrical and construction training have thrived under the solar incentives offered by the [New York State Energy Research and Development Authority](#). NYSEERDA currently pays \$1.75 per watt for new systems. That rebate, combined with the federal tax credit, provides the built-in profit margins small businesses like his need to grow. The NYSEERDA program, which expires in 2015, is designed to add 82 megawatts of solar generation in New York, which would more than double the amount of installed solar capacity in the state today.

"I'm pleased with the existing NYSEERDA rebate structure," Bailey said. "It has helped the local companies."

Still, when it comes to solar power, New York has not even begun to tap into its potential, which experts say could rival that of Germany. That country is expected to install nearly six gigawatts of solar electric capacity this year, 100 times the existing solar electric installations in New York.

[Jackson Morris](#), a senior policy adviser with the Albany office of the [Pace Energy and Climate Center](#), says New York's infant solar market may have been one of the factors that led GE to choose Colorado instead for a plant that will make "utility-scale" panels for large solar installations.

"They have a robust solar market and New York does not,"
Morris said.