



FEEDING THE GRID: THE MICROFIT PROGRAM AND THE COUNTY TRAIL HOUSE

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The introduction of the Green Energy Act in Ontario has been good news for green businesses like ours. At last count, the province's Feed-in-Tariff (or FIT) program had issued \$8 billion worth of renewable energy contracts. On a smaller scale, Ontario encouraged homeowners and small businesses to produce renewable energy by launching the MicroFit program. A modified version of FIT, MicroFit is geared toward projects of 10 kW or less and pays participants about \$0.80 for each kilowatt-hour fed into the energy grid.

Being at the forefront of the sustainable design world with Solares, we have seen the success of these programs first hand. At the 2010 Green Living Show in Toronto we met representatives of PV companies from as far as Germany and California. They have flocked in record numbers to set-up shop in Ontario and meet the demands of clients who want to benefit from the province's feed-in rates—currently the highest in the world.



For one of our own projects—the recently completed County Trail House in Prince Edward County—we had the pleasure of working with one of the veterans of the renewable energy business. Quantum Renewable Energy has been designing and installing photovoltaic (PV) systems for clients in and around Kingston, Ontario for eight years. The owner, Rick Rooney, says that since the Green Energy Act went into effect, he's been swamped with orders, and he'll have a four-fold increase in business over the next year.

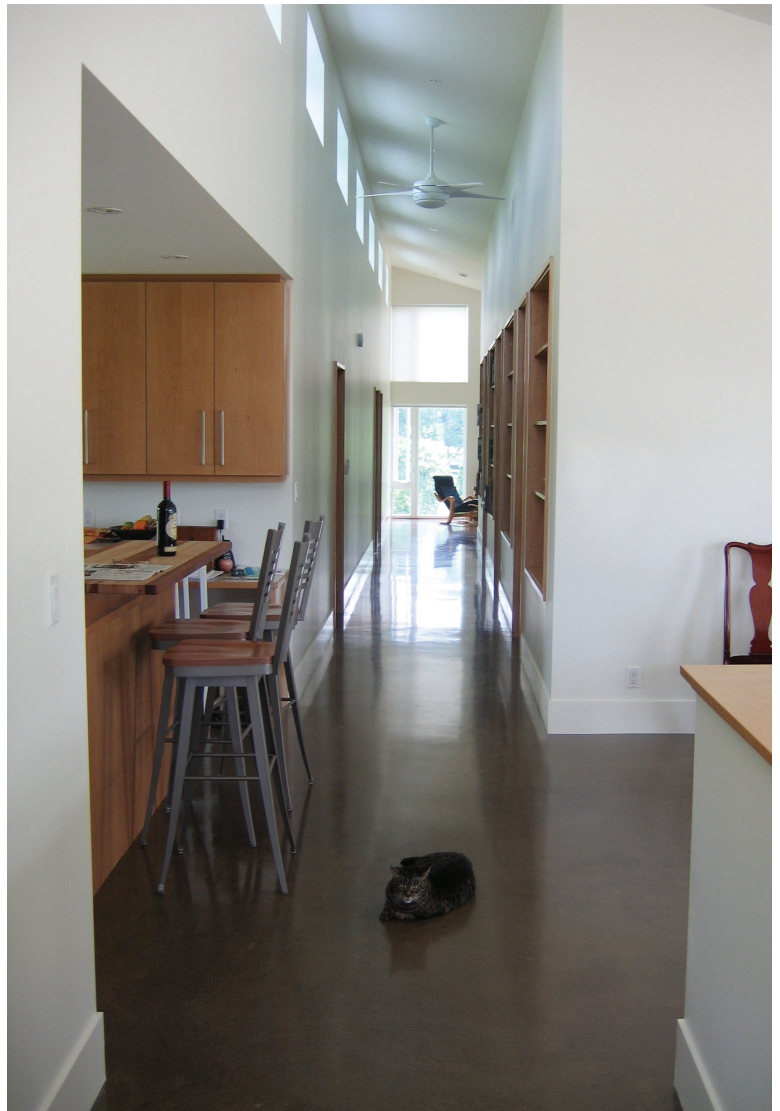
It's no wonder PVs are in demand. As Rick says, "For the average PV system, people are looking at a 12 percent return on investment, plus guaranteed income." He adds: "It's better and more stable than any mutual fund I currently own, and it's green."

The owners of the County Trail House, Peggy and Duncan Payne, would agree. They saved for decades to build the Environmentally Integrated Home™ of their dreams and their goal in retirement was to live as sustainably as possible. After the house was completed in March 2009, they had planned to wait a few years before installing solar panels. (Like all Solares homes, County Trail House was designed to be PV-ready.) But when news of the MicroFit program emerged, they quickly signed on, and commissioned Rick to install a \$26,000 system of 3.15 kW.

Because of MicroFit, PVs went from being a green ideal to a smart investment. The Paynes now generate about \$3,000 income per year by feeding into the grid. That's roughly an 11.9 per cent return on investment. (For larger 10 kW systems, people can expect up to a 15 per cent return on investment.) In seven years, the Paynes should recover the cost of the system. Then, for the remaining 13 years of their contract with the Ontario Power Authority, they will be making money.

Peggy says, "The house is so well designed that we use 209 to 286 KWh of electricity per month during the summer months." (A regular house of the same size might use four to five times that amount.) The fact that the home does not require air conditioning goes a long way to keep electricity use down. Plus, their PVs produce approximately 3,860 KWh per year in energy. She adds: "We use little power and we generate power for the grid. Whether the financial payback time is really the seven years we predicted depends on the number of cloudy days in the next seven years."

Indeed, the program is not yet perfect but it has ensured that the PV market is now established in Ontario. PVs are here to stay and the technology is improving all the time. At Solares, our goal is to design houses that require little or no energy to heat and cool. All of our projects are compatible with renewable energy technologies and now the rewards and dividends of the MicroFit program make Solares homes an even better investment.



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