

Home solar installations on LI decline in 2016

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Home solar installations on Long Island declined about three percent in 2016 after four years of explosive growth, as another top company in the region exited the business.

Last year, according to figures from PSEG, 10,776 residential customers opted for rooftop solar systems on Long Island, compared with 11,093 in 2015, a record year for the program. Since the program was launched in 2000, more

than 38,000 systems have been installed.

Separately last week, NRG Home Solar, by some estimates the third largest provider of home solar systems on Long Island, exited the home solar business, a spokeswoman confirmed. The company in 2015 had 85 employees and planned to double business in 2016, an official said in a Newsday interview at its Bohemia regional office.

On Wednesday, spokeswoman Marijke Shugrue said the Princeton, New Jersey, company, which leased its systems, would “fulfill all obligations” to customers, and remain in the large-scale solar business. In a statement, she said the company had committed to “restructure this business to be a profitable one.” She declined to say how many Long Island customers the company had, and how many workers had been laid off.

Last year, SunEdison, another top-ranked solar company with large projects throughout Long Island, filed for bankruptcy protection. It had a contract with the state to offer solar lease programs to schools on Long Island. The state sought new bidders for the contract.

The slight decline in home systems in 2016 came as nonresidential systems on Long Island increased, to 1,099 last year, from 996 in 2015, PSEG reported. Commercial rebates from the New York State Energy Research and Development Authority remain funded by the state.

Local solar installers blamed the decline in 2016 residential installations to the ending of a popular solar rebate program and a curtailment of a low-interest on-bill financing program. The state in 2014 took over the rebate program, which helped cut thousands of dollars from the cost of the \$25,000-\$35,000 systems. The residential subsidy ended when state funding ran out last spring. Previously, rebates were subsidized through LIPA rates.

“They could have kept the rebates going a little longer,” said **Joseph Milillo**, executive vice president of **Long Island Power Solutions** in Islandia, who previously was president of the Long Island Solar Energy Industry Association. Some smaller local installers, he added, “have started

to get out of the game” or been merged into larger companies. His company saw moderate growth last year, he added.

NYSERDA noted the rebates were aimed at developing a “self-sufficient solar industry” in the state, with “certainty and transparency” for the industry and customers. The structure gives a “clear signal” to the industry that the state “intends to eliminate cash incentives in a reasonable time frame.”

Despite the 2016 slowdown, Long Island continues to lead the state in overall installations. Between December 2011 and December 2016, the state noted in a release Monday, more than 24,428 solar installations were done on Long Island. That exceeds other regions for that period: Mid-Hudson, 14,125; the Albany area, 8,365, and New York City, 7,348.

In a statement, Gov. Andrew M. Cuomo portrayed the end of the subsidy as a milestone. “Long Island is the first New York region to meet the state’s megawatt block target for the residential market, underscoring the effectiveness and success of NY-Sun and the other Long Island utility programs,” he said. “The momentum across Long Island is expected to continue because of federal and state tax credits, affordable financing for underserved communities, and an established market of solar developers.”

But local installers don’t see it that way. “If we had the financing program, we’d be able to compete with the leasing companies,” said Kevin MacLeod, owner of KPS Solar in Bay Shore, who said his sales last year declined between 40 percent and 50 percent. “That’s why they took it away.”