



Selecting a Solar Contractor

Lansing Board of Water & Light (BWL) customers are increasingly choosing to take control of their own energy usage by installing renewable energy systems to help generate their own clean energy. Solar systems typically cost about \$3/watt installed plus labor costs, and choosing a good installer is the most important decision customers can make when choosing their system. BWL does not currently support or endorse any solar contractors or third party installers of solar systems. BWL will not own or perform maintenance on solar systems, and all energy buy-back rates and rebates are subject to change. Payback periods for solar systems are highly variable and customers should beware of making large investments in systems that may not provide a financial payback over the lifetime of the system. Customers should follow these tips to ensure a positive solar experience:

- 1. Seek different bids from at least three different contractors** before making a final decision on an installation, allowing you to see at least three different options and prices. Much like an HVAC company, solar companies and contractors may use different types of panels, inverters and components and have different labor costs.
- 2. Beware \$0-out-of-pocket offers.** Nothing in life is ever free, and customers who decided to go with \$0 down financing are often looking at higher monthly payments to a solar contractor than they would have paid BWL over the term of the financing agreement. Contractors may also place tax liens on their own customers' homes to ensure contractors get paid and that customers cannot move homes before the equipment is paid for.
- 3. Beware of Overpromising on bill effects.** There have been cases where contractors have improperly promised that customers "will no longer have a bill" because of their solar. This is inaccurate because BWL customers often use power during the evening and night when their panels are not generating electricity. BWL customers will ALWAYS pay a minimum \$25 a month, no matter how much energy you send back to the grid.
- 4. Perform an energy audit of your home first** to find ways you can lower your own energy usage before adding a solar system. The reason for this is simple – BWL customers will ALWAYS pay a minimum \$25 a month, no matter how much energy you send back to the grid. By reducing your usage through energy efficiency, you can purchase a smaller array and not pay as much for the solar system out of pocket, all while improving your home's comfort and safety. Customers paying less than \$100 per month on average may not see a financial payback from installing solar.
- 5. Requesting Solar Modeling.** It is appropriate to request that contractor perform modeling to determine how much direct sunlight the panels will receive. This is normally associated with a site visit where the contractor will perform analysis PRIOR to project proposal. Customers should beware of contractors who do not provide modeling for their project, or those that try to sell a system immediately (door-to-door sales).
- 6. Check for warranty information on panels and inverters.** Panels and inverters have been known to malfunction. While the quality of equipment has increased significantly in recent years, try and pick an

inverter with at least a 10-year warranty, and panels with 20-year warranties, to ensure that you don't have issues that prevent your array from generating for a significant amount of time.

- 7. Licensing and Insurance.** All solar arrays require some sort of electrical work to be performed to operate. Electrical work can be very hazardous if not performed correctly. Choosing a contractor who employs licensed electricians and carries proper general insurance is a good way to eliminate scammers and those not qualified to perform an installation.
- 8. Ask for references.** Ask for customer references and contact information for recent clients to learn about their experiences with the contractor. Word of mouth is still the best type of review for any business or company. Companies without references should be a red flag for customers.

For more information, visit www.lbwl.com/installsolar.