

Supporting information for staff directive to waive solar permit fees.

Summary: participants in the Solar Thermal Pilot Project have agreed to spend \$6,000 to install solar hot water heaters on their homes. The project has encountered a serious setback that threatens to unravel it: of the nine homes (of twelve total) for which a structural engineer has prepared an assessment, eight need serious structural strengthening to withstand wind load. The cost of this work ranges from \$500-2,500. These significant costs (adding as much as 30% to the initial quoted price to each participant) were not anticipated by participants or the solar installer. Our office is looking for a way to offset even a small portion of this unanticipated cost, to keep participants from dropping out of the project.

Data:

- 1) Regulatory Services is being asked to waive \$275 in fees each for 12 participants, totaling \$3,300 in lost revenue.
- 2) The Center for Energy and Environment has committed to match the amount waived by the City up to \$3,300. This amounts to \$550 in savings to each participant.
- 3) This pilot project moves the City forward on two of our Sustainability Targets: reducing carbon dioxide emissions and increasing renewable energy use.
- 4) Though this initiative was sponsored by the Southeast Como Improvement Association, Minneapolis participants live in six neighborhoods and five wards (1, 2, 3, 4 and 9) across the city.
- 5) The City has already reaped significant benefit from this pilot project in the form of information that will help inform future projects of this type. More will likely be learned in is and when the program moves forward. The cost of reinforcing older, urban roofs to take the wind strain created by solar thermal systems can now be budgeted in. The participants, installer and lead organization (Southeast Como Improvement Association) have committed to making information about the issues faced during this pilot project available to the City.

It would not be in the City's best interest for this project to fail. Solar thermal systems have great potential in urban settings to reduce fossil fuel consumption and carbon dioxide emissions, as well as to protect against likely substantial increases in natural gas prices. Broader use of such systems could go a long way towards helping the City meet several of its sustainability targets and helping residents of limited means afford rising home heating costs. The relatively small amount of lost revenue will leverage private-sector dollars and prevent the pilot from failing.