



The Opportunities and Risks of Solar Technology for Delaware Agriculture

Solar Photovoltaics or Solar PV is a developing technology that is not fully understood by many. Solar systems can benefit the agricultural community in Delaware by providing stable, environmentally friendly electrical energy at fair prices. From site and technical reviews to regulatory and financial analysis, understanding the varied aspects of a solar project is essential to determine if solar is right for you. Best practices are emerging to help reduce the risks in solar project development and increase the benefits to agricultural operations.

Frequently asked questions (FAQ):

Q: Is solar energy viable for the Delaware farming community?

A: Solar energy prices have declined dramatically. The price paid for solar energy installed today has reached a level that can be equal to or in some cases lower than current energy costs in Delaware.

Q. Will installation of solar panels negatively impact my classification for agricultural land-use?

A. No

Q. Will solar panels impede my ability to continue to farm the land?

A. Solar panels are best located on fallow, underused land or structurally sound rooftops, not active tillable soil or acreage used for other agricultural activities.

Q. What is the size limit for a solar system?

A. There are no size limitations for installing solar panels. The limiting factors are unique to each location and can be as small as a few panels to as large as a several acre system.

Q: If this is such a good deal, then why isn't everyone doing it?

A: Delaware recently changed the way solar energy is priced to allow for lower pricing through a new set of laws, one of which is called the Renewable Portfolio Standard or RPS.

Q: What is an RPS?

A: A Renewable Portfolio Standard or RPS requires utilities to purchase renewable energy as a portion of its overall energy portfolio. In Delaware, this portion was increased to 25% by the year 2025 with 3.5% dedicated to solar.

Q: Why is the new RPS important to solar pricing?

A: The new RPS standard allows solar projects to sell Solar Renewable Energy Credits (SREC) to the utilities to lower the cost of solar energy.

Q: What is an SREC?

A: A Solar Renewable Energy Credit or SREC is generated from a solar installation. One SREC is created for every 1,000kWh of solar energy. That credit can then be sold in various markets for cash.

Q. Besides the SREC program, are there additional grants and subsidies available for solar?

A: Yes, direct solar grants are available. The final dollar amount depends on the size, location and type of solar system installed. A list of Solar Grants available in Delaware can be found at www.dnrec.delaware.gov/energy/Pages/default.aspx. Federal Tax Incentives are also available.

Q: What are the risks related to solar energy?

A: Solar energy risks include, but are not limited to:

- Solar installation companies that offer inflated prices or install the system incorrectly
- Solar financing companies that do not offer the best package of incentives
- Operation and maintenance of new technology
- Mishandling of the monitoring and submission of the SRECs

Q: How can I reduce those risks?

A: Qualified professionals that assist interested agricultural operations in evaluating the feasibility, installation, and financing of a solar project are available to identify and potentially reduce those risks. A detailed list of Solar Resources is available at the Delaware Energy Office website at www.dnrec.delaware.gov/energy/services/GreenEnergy/Pages/PVInstallers.aspx.

Q: How do I know if solar is right for me?

A: Various technical and financial options are available to farmers seeking to install solar panels. The Delaware Department of Agriculture (DDA) has developed a Solar Technology Guide & Resources to assist farmers in understanding the numerous aspects of a solar project and aid in the assessment of its feasibility within their operations. This resource is available at www.XXX.com/ or at the DDA main office in Dover.