



Lower-cost solar panel can reduce monthly costs

By Barry VanderKelen

By reducing expense fluctuations from month to month, nonprofit organizations can free up money to spend on delivering more programs and services.

Utility costs are an item that can now be controlled better because new technology makes installing solar panels for electricity generation more affordable.

Sandra Knapp, a graduate student in city and regional planning at Cal Poly, is working to help nonprofit groups install solar panels.

"Instead of having to install the entire panel system, technology now permits incremental creation of the system," she said.

John Ewan, owner of Pacific Energy Corp., a San Luis Obispo-based distributor of energy products, said that a new, smaller inverter makes the incremental growth of a solar power system possible. The inverter converts direct current (DC) power from the solar panel into alternating current (AC) power that almost all lights and electronics use.

The first system module may cost \$3,000, and each additional module costs approximately \$1,200 each. Eight modules will generate more than 1 kilowatt of power.

Rather than needing to raise \$10,000 or more, the system can grow with each \$1,200 gift.

"The new inverter scales the solar panel system to the organization," Ewan said. "Even small organizations with limited resources can benefit from solar power."

Knapp adds that small nonprofits can band together and draw from one system rather than each one having to install its own, making solar power even more attractive.

"This is a new opportunity to fundraise," Knapp said. "The modules are affordable to more people, and the system can grow with the installation of a new module."

Donor recognition can be through the naming of solar panels.

The ability to install smaller systems makes the systems portable. The nonprofit organization owns the panels and can take them with it when it moves to new office space.

Donors will need to decide if they want to get a charitable gift deduction for donating money or a module, or a tax credit for buying a module.

It is unlikely that the donor can do both. Beginning next month, a 30 percent tax credit is available to buyers of solar power generating equipment.

If a nonprofit group buys the modules, it might be eligible for rebates.

Rebates often stay with the address of installation, rather than with purchaser.

While this works best if the nonprofit group owns its facility, property owners might be interested in helping complete the project.

Ewan said solar power provides savings when electricity costs 20 cents or more per kilowatt hour because of the cost of installing the system.

Electricity rates tend to be above the 20-cent mark in the summer and below it in the winter. Solar power can even-out the fluctuations.

Knapp suggested that these smaller systems will bring more nonprofit groups together, allow donors to make a lasting impact on their favorite organizations, and reduce the carbon footprint of the nonprofit community.

Resource Use

- Support nonprofit leadership
- Board development/training
- Strategic planning

Nonprofit Business Column of The Tribune

The San Luis Obispo Tribune publishes a column every other week in the Business section dedicated to the business practices of nonprofit orgs. Barry VanderKelen, Executive Director of the San Luis Obispo County Community Foundation writes the bi-

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