



Roof rentals prove lucrative sideline of Green Energy Act

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Sharon Singleton | Money

Ontario's Green Energy Act may prove a lucrative sideline for factory owners and businesses willing to rent out their roof space for solar panels.

Solar Power Network, a company that specializes in renting out the space and then selling on electricity to the provincial government, says it pays out about 76 cents per square foot of space per year, over the 20 years of a contract for the roof space.

That works out at about \$26,500 a year for a 250-kilowatt system and double for a 500-kilowatt system. The company has just announced 35 new contracts with companies to provide solar power to the province, under a landlord/tenant type agreement.

"The buildings we are looking at are not typically commercial type buildings, but industrial properties, such as factories and manufacturing plants," said SPN chief executive Peter Goodman.

"Interestingly, it provides rental income where there was none."

The Green Energy Act, which provides subsidies for renewable power, has come under fire from critics such as the C.D. Howe Institute, which has argued that it is pushing up costs for consumers.

The act will add about \$310 a year to the average household electricity bill, the think tank said in a report released last month.

Goodman said solar power costs between 53.5 cents and 71.3 cents per kilowatt-hour, compared with 10 cents for conventional electricity.

However, rapidly improving technology, much of it pioneered by China, is bringing down the cost of green energy, he said.

"It's an ongoing debate as to how many incentives will be needed and for how long, before the solar power market can be viable without subsidies, he said.

A recent German study estimated that advances in technology would make the industry viable within three to five years, he said, adding that in Ontario it's likely to take five years.

Other Canadian provinces are also looking at possible incentives to boost green energy, including British Columbia.

"We have been invited by B.C. to help look at laying the groundwork," he said.