

from us to you



## RETURN & VALUE

I frequently hear people complaining about the high cost of solar-electric (PV) systems. One reader recently complained, "18 years to break even." Breaking even sounds good to me. This is a better return than almost everything else we spend money on. Only financial instruments and real estate may do better, as far as I can see. All other purchases we make are a continual loss.

It's strange that the purchase of clean energy systems is often viewed purely as a financial investment when almost none of our other purchases are defined that way. With most of our investments and everyday purchases, we typically decide what we want, need, value, and enjoy.

I wonder why we expect more out of renewable energy systems than we expect out of our cars, furniture, clothing, entertainment, and vacations. None of these things have any financial payback, and yet they are valuable to us. If you asked a car salesperson what the payback on a new truck is, they might say, "Huh? You want transportation, right?" With renewable energy systems, the corresponding answer is, "You want clean energy, right?"

Any talk about "breaking even" essentially pits solar energy against a system of aggressively subsidized dirty energy. Suppose the government subsidized poisoned milk, and let dairy farmers dump their manure into streams, fouling the environment while selling the bad milk at \$3 a gallon. Your neighbor's whole, organic milk, selling for \$7 a gallon, might seem really "expensive." But once you factor in all the costs and effects on your health, the environment, and your community, your neighbor's milk seems like a much better deal. The true value of renewable energy (RE) cannot be measured by dollars alone.

In a perfect world, the choice to use RE should be based solely on our values—not financial payoff or upfront costs. Even if we consider only cash, we need to look at RE systems in a different way—for the long term. When you invest in a PV system, you're buying 40 to 50 years of electricity at a fixed cost. This lump sum seems expensive, since we rarely pay for anything else decades in advance. But what if your car salesperson offered you a car that would generate no emissions, last 40 years, not require buying gasoline, and run like a dream the whole time? Once you got over your initial doubts, you'd realize that if it was for real, it would undoubtedly be *very* expensive. But to people who value quality, durability, predictability, and reliability (and don't care about being "in style"), it would be a great buy.

Solar energy systems are a similarly great buy, if designed and installed well. Only when you take the long view—and focus on the full importance—will you see the true value of solar investments.

—Ian Woofenden for the *Home Power* crew

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### *Think About It...*

*"It is the greatest of all mistakes to do nothing because you can only do a little."*

—Sydney Smith (1771-1845)

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