

# Installers pave the way for solar job growth

Phoenix Business Journal - by [Patrick O'Grady](#)

A home-grown solar company has opened its doors in Scottsdale, adding to the number of solar companies that either have launched or expanded into Arizona during the past year.

**Green Choice Solar** LLC opened in August in about 12,000 square feet at the Scottsdale Airpark. The company, which will focus on residential and commercial installations, is part of a growing number showing interest in the burgeoning Arizona solar market.

“Hopping in two or three years ago, we might have been able to say, ‘Hey, we were here first,’ but it wasn’t feasible,” said Tony Doran, president of sales and marketing for Green Choice.

Changes in federal law have expanded tax credits for businesses and allowed homeowners to take advantage of them, creating the impetus for the growing number of solar installers in Arizona. In addition, local utilities such as Arizona Public Service Co. and Salt River Project are providing incentives.

Green Choice will be among the companies offering alternative financing methods, allowing customers to buy systems on installment plans or lease them instead of having them pay up front, Doran said.

With 40 employees already, Green Choice is among the area’s larger solar providers. Doran said the company is privately financed, but wouldn’t say how much or by whom.

The company has several officials with renewable energy experience in Europe, including CEO Herbert Abel, who served as CEO of Schmack Biogas AG in Schwandorf, Germany.

Green Choice sees opportunity in roof-mounted systems, especially on covered parking. The company has a business plan that calls for providing the up-front costs for a covered parking solar system and then leasing it to a business or property owner, offering two benefits in one project, Doran said.

“Arizona is the best place for (solar),” he said. “We’ve done our homework.”

Solar installers that started in California and other states have set up shop here and seen the heavy demand blow away their predictions.

**REC Solar**, a solar installer based in San Luis Obispo, Calif., entered the Valley in the spring and already has seen demand in excess of 175 percent of its initial expectations, said Cary Hayes, the company's regional sales manager for the Southwest.

Arizona has benefited from falling panel prices as demand has slacked in other areas. The state also has good utility rebates that factor into what the company is seeing as a higher adoption rate, Hayes said.

A little more than a year ago, Arizona had mostly homegrown companies that had been in existence for years, waiting for the solar concept to catch on.

An influx of outside players started when SolarCity announced last summer it was expanding operations into Arizona from its Foster City, Calif., base. The company brought with it solar lease options, which allow homeowners and businesses to make monthly payments over 15 years for the systems.

REC and local player **American Solar Electric** have teamed with San Francisco-based SunRun Inc. to provide financing for similar programs. Others, such as PerfectPower Inc. in Phoenix, have adopted the model.

Most recently, Houston-based Standard Renewable Energy, one of the country's largest solar installers, opened a Phoenix operation.

The influx of installers is a sign the solar economy is ramping up demand in the Valley, and it could portend higher-wage manufacturing jobs here, said Chris Camacho, vice president of business development for the **Greater Phoenix Economic Council**.

"From an integrator's perspective, they generally lead the charge," he said.

Most of the solar companies GPEC has worked with, like REC, have seen much higher sales numbers than expected. Those sales could push manufacturing here, as the panel companies increasingly are making local demand a key point in choosing sites, Camacho said.

"It's still an ever-evolving industry, and Arizona is going to be a melting pot," he said.

Tom Alston, vice president of the **Arizona Solar Energy Industries Association**, said the increase in installers, including locals such as Green Choice, is a result of policies the state has put in place — from renewable energy standards to tax credits.

"The reason this company is growing in Arizona is because of the Arizona Corporation Commission's mandate that APS and (Tucson Electric Power Co.) get a

portion of their energy from rooftop solar systems (distributed generation),” said Alston, who also is manager of policy and development for American Solar Electric. “This startup company really highlights the importance of this ACC program and its ability to create real jobs for Arizonans.”

The influx also can have its drawbacks. In California, for example, an increase in the number of installers ended up in market consolidation when installations waned, pushing smaller players out of business, Hayes said.

“Probably 80 (percent) to 85 percent of the business ended up concentrated in the top five players in California,” he said. “And it’s also happened in Colorado.”

Green Choice officials believe the company could be one of the top installers in the state, and they are looking at options to expand beyond Arizona by next year, Doran said.

### **Get Connected**

Greater Phoenix Economic Council: **[www.gpec.org](http://www.gpec.org)**

American Solar Electric: **[www.americanpv.com](http://www.americanpv.com)**

Arizona Solar Energy Industries Association: **[www.arizonasolarindustry.org](http://www.arizonasolarindustry.org)**

### **SOLAR EXPANSION**

Arizona has seen a handful of solar installers either locate offices here or start up operations in the past year. It’s the result, local officials say, of a good climate to promote demand for solar panels. Here’s a look at some of the most recent additions to the Valley:

Green Choice Solar  
HQ: Scottsdale  
CEO: Herbert Abel  
Founded: 2009  
Employees: 40  
Phone: 480-284-0384

REC Solar  
HQ: San Luis Obispo, Calif.  
Expanded into Arizona: Early 2009  
CEO: Angiolo Laviziano  
Founded: 1997  
Employees: 30 in Arizona, more than 250 total  
Web: [www.recsolar.com](http://www.recsolar.com)

SolarCity Inc.  
HQ: Foster City, Calif.  
EXPANDED INTO ARIZONA: June 2008  
CEO: Lyndon Rive  
Founded: 2006  
Employees: NA  
Web: [www.solarcity.com](http://www.solarcity.com)

Standard Renewable Energy  
HQ: Houston  
Expanded into Arizona: April 2009  
CEO: John Berger  
Founded: 2006

Employees: 50 planned by end of 2009  
Web: [www.sre3.com](http://www.sre3.com)