



## Solar World: Installers go online

By LEAH KRAUSS  
UPI Energy Correspondent

TEL AVIV, Israel, Nov. 30 (UPI) -- Installing a residential solar energy system has become a little easier over the past few months, thanks to a company whose Web site lets customers compare contractors' bids.

You still have to do your homework: Does your state have a tax incentive plan? How much sunlight does your roof get? Do you want regular photovoltaic panels installed, or do you want to put in shingles made of solar material? But Austin, Texas-based Verde Energy will help you with that process, then provide you, via its Web site, with bids for the project from up to three local contractors.

"My business partner of several years and I both recognized that global warming ... is a very serious problem," Rob Powell, the company's chief executive officer, president and co-founder, told United Press International in a telephone interview. "We had a desire to be part of the solution and we saw the opportunity to help."

Powell, whose background is in the natural gas business, and his business partner, Verde Chief Operations Officer Chris Frothingham, also saw a business opportunity -- high fossil fuel costs and volatility in the market have driven up demand for renewables, Powell said.

So far, they've been proven right. In the nine weeks following the company's Aug. 1 launch, Verde fielded 1,000 requests for solar installations.

"Up until now, if you wanted solar for your home or business you had to shop around," Verde Energy said in a statement. "It's a big-ticket item ... and most consumers want multiple bids. That means contacting the companies, being queried and qualified on the phone and ... a visit from the solar company a couple weeks later to see if your site will actually work for solar."

"Then there's the negotiating -- and repeating this process for multiple bids," the company said.

But "late-stage" customers, who know they're interested in a solar installation and have thought through the details, can turn to Verde and simplify the process, Powell said.

The customer fills out a service request form online, and is contacted by the Verde Energy call center. Over the phone, the company assesses the feasibility of the project. Afterward, Verde forwards the bids, and the contractors conduct a free, onsite consultation, Powell said.

In 2006, nine states created incentive programs to subsidize solar installation costs -- California, New Jersey, Florida, Arizona, New York, Nevada, North Carolina, Washington and New Mexico.

The company also works with wind energy system installers, but Powell said that about 90 percent of the

contractors on the network were for solar.

For consumers, the service is free. Verde charges installers a 1.5 percent to 2 percent commission on projects completed.

Powell says the company is about halfway to completing its network of approved installers, which are judged based on references from previous customers. Verde works with about 200 contractors, and that number is expected grow to approximately 400 in the next few months.

Internet comparison shopping has been around for about 10 years.

"In the spring of 1996, Quotesmith.com became the first of several Web sites that enabled a customer to compare, within seconds, the price of term life insurance sold by dozens of different companies," Steven D. Levitt and Stephen J. Dubner pointed out in their book "Freakonomics."

"Suddenly customers were paying \$1 billion less a year for term life insurance," Levitt and Dubner said.

"We provide a choice," Powell said of the advantage the company offers to consumers.

"With our competitors, you only get one quote," Powell said, citing the example of Home Depot's partnership with BP Solar. "We provide a network of trusted service providers, and we work with local contractors to ensure that the investment (in a solar system) will stay in the community."

However, Powell said he doesn't expect the price of installing a solar energy system to fall dramatically, as in the life insurance example.

"The contractors are all fairly competitively priced," he said, adding that most of the time, the bids fall within 10 percent to 15 percent of each other.

"The production cost is fairly static ... the distance from the contractor to the customer (can spur a more expensive quote)."

The world is experiencing a shortage of high-grade refined silicon, which is the main ingredient in most photovoltaic panels. Experts predict that as new silicon refineries start to come online in 2008, solar energy supply will start to catch up with demand.

Despite the shortage, solar energy installation is on the rise in the United States. "Current projections show that PV installations in the United States will grow 20 percent in 2006 over 2005, which will most likely exceed the growth rates in (world solar energy leaders) Germany and Japan this year," according to an October report published by the Solar Energy Industries Association and the Prometheus Institute.

--

(Comments to [energy@upi.com](mailto:energy@upi.com))

[Del.icio.us](#) | [Digg it](#) | [RSS](#)

© Copyright 2006 United Press International, Inc. All Rights Reserved.

United Press International, UPI, the UPI logo, and other trademarks and service marks, are registered or unregistered trademarks of United Press International, Inc. in the United States and in other countries.