

# Dormant site generates millions of dollars

A long-dormant lot is set to generate in excess of \$4M over 20 years, thanks to the owner's decision to deploy solar.

**\$4.34M**

income generated  
over 20 years

**\$1.28M**

in federal solar  
tax incentives

**1.3M**

kWh generated  
annually



## Overview

A four-acre site on Fairmount Street in Woonsocket, Rhode Island, was being used for parking school buses until the owner had the idea to convert the property into a one-megawatt ground-mounted solar facility – generating clean energy for the local electrical grid while simultaneously generating a significant, predictable income stream for himself. Feeding energy directly into the electricity grid would guarantee a 20-year income stream based on the amount of solar power generated and qualify for lucrative financial incentives under Rhode Island’s Renewable Energy Growth (REGrowth) Program. The owner contacted Centrica Business Solutions to conduct a feasibility assessment, facilitate interconnection, obtain the necessary building and zoning permits, and design and construct the facility.

## Solution

Centrica Business Solutions conducted the pre-construction due diligence, which took approximately one year before the commencement of construction. The team created a preliminary design using satellite imagery to determine how many solar panels could go on the site and how they would be deployed. Considering historical weather data for the location, it then projected how much energy the facility would generate and, by extension, its anticipated income.

Following further electrical engineering work, an interconnection application was submitted, leading to the project’s ultimate enrollment in the REGrowth Program. Permits were then applied for and ultimately granted by the town’s planning, zoning, building, and electrical departments.

## Technical overview

Approximately 3,000 Tier One solar modules were installed on the site, mounted on steel racking systems, and paired with string inverters and power optimizers to maximize output.

## Customer results

By engaging Centrica Business Solutions, the owner of the facility has substantially increased the value of his property. The consistency and predictability of the project’s income, combined with the favorable tax treatment of solar property in Rhode Island, resulted in a compellingly rewarding financial transaction for the facility owner.

The facility is projected to generate 1.3M kWh of energy annually – enough to power 260 homes. Under the terms of the incentive awarded through REGrowth, such output equates to a 20-year income stream of \$227,500 a year. In addition, the project qualifies for a 30% Solar Investment Tax Credit (ITC), through which the U.S. Government will credit 30% of the \$2.3M it cost to construct the facility – a sum of approximately \$690,000 – against the facility owner’s federal income tax liability.

In addition, U.S. tax law allows the facility owner to write off the cost of the system as an expense in the first year of operation through what is known as Bonus Depreciation, which is worth an additional \$587,000. With the value of the ITC and Bonus Depreciation together amounting to \$1,277,000 (55% of system costs), the after-tax cost of the facility is \$1,023,000.

With the combination of top-tier equipment and expert installation expected to limit annual system degradation to one-half of one percent (0.5%), the 20-year income generated by the facility is projected to be \$4,340,000.



1.3M  
annual kWh  
savings



\$1.28M  
in federal solar  
tax incentives



1M+  
pounds of coal  
offset annually



\$4.34M  
income generated  
over 20 years

“As well as supporting the state’s solar policies and helping the environment, engaging with Centrica Business Solutions to construct this facility enabled me to convert a disused and derelict piece of ground into a lucrative and highly sellable asset.”

Original owner of the facility

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