



Despite all of the tax breaks, utility rebates, and net metering potential, the common assumption is that rooftop residential photovoltaics are not economical for many customers. Some people figure that you install a solar system if you want to feel good about yourself, or make a statement about the environment, but you had better expect to lose money. A new [study](#) from the Lawrence Berkeley National Laboratory suggests that solar might not be such a bad investment after all.

Ryan Wiser and his team compared the resale value of homes with and without solar retrofits and concluded that, on average, the solar homes sold at a premium equal to \$6 per installed watt. (The numbers that follow are mine, not LBNL's.) For a home with a two kilovolt solar system, that's a \$12,000 gain. Plug in a modest utility rebate of 50 cents per watt (another \$1,000), and a 30% federal tax credit on a \$20,000 system, (\$6,000), and the purchaser is only \$1,000 in the red. Before taxes, with estimated annual utility bill savings of about \$500, the homeowner starts making money in the third year.

Maybe these numbers are slim comfort to someone who doesn't plan ever to sell his or her home, but most people don't fit into that category. For the average homeowner, it looks like a solar system makes as much investment sense as a remodeled kitchen or bathroom.

Curiously, the study finds less of a premium paid for new homes with installed solar. In future research, Wiser and company may try to figure out why.