

Solar Electric: Kettle Foods Solar Installation



David Parker, Advanced Energy Systems owner, helped Kettle Foods' Russ Read, facilities manager, and Cameron Healy, president and founder, harness the power of Oregon sunshine.

PROJECT OVERVIEW

Who: Kettle Foods, Inc., Energy Trust of Oregon, Inc., Oregon Department of Energy and Advanced Energy Systems

What: Roof-mounted 114-kilowatt photovoltaic system

When: Began operating September 2003

Where: Kettle Foods, Inc., Salem, Oregon

Generation: 120,000 kWh per year

Benefits:

- Provides clean, renewable power
- Reduces energy costs
- Reduces reliance on power generated from fossil fuels
- Demonstrates viability of industrial solar systems

Solar System Keeps Kettle Cooking

Kettle Foods, Inc., Oregon's homegrown producer of **Kettle™** brand Potato Chips, has turned to a higher power: the sun. In September 2003, the natural snack food company installed a 114-kilowatt photovoltaic system at its Salem facility. It is the largest solar installation in the Northwest.

The roof-mounted system, which is comprised of 616 Sharp panels, was funded with assistance from the Energy Trust of Oregon, Inc., and state tax credits courtesy of the Oregon Department of Energy. It will produce approximately 120,000 kilowatt hours (kWh) of electricity each year, enough electricity to power 10 to 15 homes per year. The three million kWh it generates over 25 years could produce the equivalent of six million bags of potato chips. The solar-generated electricity will meet three to five percent of the facility's annual demand. During peak solar hours, the system could generate as much as 25 percent of demand. Through a net metering program arrangement with Portland General Electric (PGE), any power not used at the plant during off hours will flow directly into the power grid, offsetting kilowatt hours used.

"Solar installations in industrial settings are relatively rare," says Peter West, Energy Trust renewable energy program director. "Kettle Foods proves that solar can meet the power demands of industry by providing clean and reliable electricity. We know that the technology works, and this project will help others see that solar energy is good for their business."

Beyond being good for business, the Kettle Foods solar installation is a natural fit with the company's commitment to environmental responsibility. Kettle Foods is working to reduce energy consumption and

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use sustainable sources of energy. The company has been purchasing renewable power through its utility, PGE.

“We are always trying to broaden the scope of our corporate responsibility program by looking at opportunities that make sense and are the right thing to do,” says Marc Cramer, Kettle Foods general manager. “This solar project just clicked with us. It hits us from our value base.”

In early 2003, with the assistance of Advanced Energy Systems (AES), Kettle Foods sought support from the Energy Trust’s Open Solicitation Program. The Energy Trust agreed to provide a financial incentive of \$112,000 to help offset the \$650,000 cost of installing the photovoltaic system at their food processing plant. In addition to the Energy Trust incentive, Kettle Foods is receiving more than \$220,000 in Business Energy Tax Credits from the State of Oregon over the next five years and \$54,000 in Federal Energy Tax Credits. Accelerated state and federal depreciation allowances will reduce Kettle Foods’ net investment to less than \$60,000 after five years. The company expects to see payback on their investment in approximately seven years.



The 616 Sharp solar panels mounted on the Kettle Foods roof will produce approximately 120,000 kilowatt hours of electricity each year. The solar installation is the largest in the Northwest.

AES, a Eugene-based company, designed and installed the Kettle Foods solar system. According to AES owner David Parker, the system requires little maintenance beyond keeping the panels clean. “These systems have advanced to the point where there are no moving parts, so there’s literally nothing to wear out,” Parker says. “The panels we installed at Kettle Foods can easily work for 50 years. The electric systems will last for 25 years or more.”

How can we help YOU?

Do you have an idea for a solar electric (photovoltaic), solar water heating, small wind, small hydro, biomass or geothermal project? The Energy Trust may be able to provide funding.

**To find out more, call
1-866-ENTRUST (368-7878)
or visit www.energytrust.org.**

IT PAYS TO REACH FOR THE SUN

Energy Trust incentives and Oregon state energy tax credits now make it possible for businesses to reduce solar system installation costs by 50 percent or more. Depending on a business’ tax situation, additional federal tax credits and accelerated depreciation can combine with these savings to cover 80 percent or more of the system cost. With these offsets to the initial investment, the payback period can be as little as five years. After payback, energy cost savings add up year after year.

The Energy Trust expects to double the number of solar electric systems in Oregon within a year. “Bringing solar energy into our state’s resource mix is a good idea that can really work for commercial and industrial customers, as well as residential customers,” West says. “We encourage businesses to take advantage of these solar energy incentive programs while they have the opportunity.” ■

The Energy Trust of Oregon, Inc., is an independent nonprofit organization dedicated to energy efficiency and renewable energy development. Our mission is to change how Oregonians produce and use energy by investing in efficient technologies and renewable resources that develop new sources of clean energy, help Oregonians lower their electricity bills, stimulate the economy, and protect the environment. The Energy Trust serves Oregon customers of Pacific Power, Portland General Electric and NW Natural.

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