



**Grand Trunk Railway  
(GTR) Shops**

# UPDATE: SOLAR PANELS



The Feasibility of Solar Panels and the Payback

**Arcadian**  
PROJECTS

R. RITZ ARCHITECT INC.

# **UPDATE: The feasibility of solar panels and the payback**

RR



# Challenges and Potential Roadblocks

## Electricity Grid Constraints

Many regional stations, distribution lines, and transformers are at their thermal limits. Connecting a new solar array often triggers expensive "Upstream Grid Asset" reinforcements that the developer may have to fund, or the connection may be denied.

## Facility Readiness & Retrofit Barriers

The feasibility of rooftop solar is frequently hindered by structural weight limits and electrical infrastructure that lacks the necessary capacity to integrate new generation sources without a full system overhaul.

## Long-Term Load Consistency & Site Tenure

Project viability depends on a guaranteed, long-term operational horizon where the facility's energy demand consistently matches or exceeds solar production to avoid "stranded" generation.



# Major Financial Incentives for Solar

| Incentive Program     | Financial Impact         | Key Eligibility / Requirement   |
|-----------------------|--------------------------|---|
| SaveOnEnergy Retrofit | \$860 / kW-AC            | Must be <b>Load Displacement</b> (Behind-the-Meter). Projects >10kW capped at 1MW or 50% of costs.            |
| Clean Technology ITC  | 20-30% Refundable Credit | For <b>taxable corporations</b> owning the system; requires compliance with prevailing wage/apprentice rules. |
| Clean Electricity ITC | 5-15% Refundable Credit  | Specifically for <b>tax-exempt entities</b> (MUSH sector, Indigenous-owned, or Crown corps).                  |
| Accelerated CCA       | 100% Write-off (Yr 1)    | Under <b>Class 43.1/43.2</b> ; allows full expensing of the asset in the first year to offset taxable income. |



# Grand Trunk Renewal Solar High-Level Budgetary Outlook

**Location:** Stratford, ON

**Capacity:** 625 kWac (117% Overbuild)

**Yield:** ~795,000 kWh/yr

## Financial Pathway Comparison

**Base EPC Cost: \$1,376,000** (Excludes LDC fees, Structural/Electrical upgrades)

| Feature         | Net Metering (Class B)                | Load Displacement (SaveOnEnergy)             |
|-----------------|---------------------------------------|--|
| Primary Benefit | Yearly credit for 100% of generation. | <b>\$537,500 Upfront Rebate</b> (\$860/kWac) |
| Annual Savings  | ~\$111,300 (@ \$0.14/kWh).            | Variable (only offsets real-time load)       |
| Waste Risk      | Low (Grid acts as a battery).         | <b>High</b> (Excess power is lost/unpaid)    |
| Simple Payback  | <b>~12.5 – 13.5 Years</b>             | <b>~6.5 Years</b> (Estimated with Rebate)    |

