

# ENERGY STAR® Success Story

## Solar Hosting: How Warehouse Owners Can Bring Clean Power to Local Families, Reduce GHG Emissions and Make Money

The simple choice for energy efficiency.



Warehouse owners and operators are using their rooftops to benefit their company's bottom line, the environment, and their communities with clean power.

### What is Community Solar?

Solar is the fastest growing source of energy in the U.S. but not every home or business has access to the sun's clean power. Shade, roof obstructions, and building orientation can sometimes prevent it. Now available in 18 states, community solar (also called "shared solar"), allows homeowners and renters to subscribe to a community solar array, often hosted by a local business or nonprofit, and receive credit from their utility company.

### New Jersey's First Community Solar Project is on a Warehouse

Recognizing that warehouses are effective locations for these projects because the roofs are secure, flat, and undisturbed, Duke Realty recently launched the first community solar project in New Jersey through a strategic partnership with Solar Landscape, a local commercial solar developer. The installation of 18,000 solar panels on four Duke Realty properties across the state will generate clean energy to power more than 1,200 homes, 50 percent of which will be low-to-moderate-income households. The project is estimated to deliver more than 250 million kilowatt hours of renewable electricity to the community over the next twenty years, saving families an average of 10 to 15 percent on their monthly electric bill.

### The Benefits of Hosting a Community Solar Array

When Solar Landscape approached Duke Realty to discuss the project, Duke Realty's Vice President of



Duke Realty recently installed 18,000 solar panels on warehouse properties across the state. This property, located in Perth Amboy, NJ, powers more than 400 local homes, producing 3.1-million-kilowatt hours of clean energy annually.

Corporate Responsibility, Megan Basore, believed the positive impacts were appealing on many levels. The company prioritizes environmental stewardship and gives back to the communities where they operate, so being able to do both has helped advance both corporate responsibility goals. As a solar host, Duke Realty does not own, nor legally use, power from the solar array, and maintenance and operations responsibilities of the system are fulfilled by Solar Landscape. While Duke Realty did see a nominal bump in its building insurance, the increased costs are negated by the leasing income.

Additionally, the project aligns with the company's sustainable development, energy and resource usage policies that help to create a cleaner, healthier environment in the communities the company serves.

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## Culture is Key to Engaging Internal Stakeholders

Duke Realty's corporate culture actively encourages new ideas and creative thinking, and the solar project served as a pivotal opportunity to expand the company's alignment with its Environmental, Social and Governance goals. The project involved collaboration among many departments—from property management to finance and risk management—to evaluate properties as potential solar host candidates, estimate site energy production, and vet the terms and conditions proposed in the lease agreement. As a result, starting early with internal engagement was critical to the project's success as it takes time to inform key stakeholders, obtain buy-in, and collectively determine new company policies and procedures.

The success of the community solar project in New Jersey led Duke Realty to engage a consultant to assess the opportunities in other regional markets. Not every state offers it and those that do often have different program requirements, state incentives, and tax implications. Working with a third party helped Duke Realty identify and evaluate the options and select

*“Warehouse rooftops are underutilized and provide big opportunities to address urgent environmental and social issues. It's giving back to our communities in the best possible way.”*

**- Megan Basore, Vice President of Corporate Responsibility, Duke Realty**

specific properties within their portfolio as the best candidates to become solar host facilities.

## Minimizing Tenant Disturbance

Communication with tenants and facility operations staff is essential to limit disruptions to warehouse operations, either from the initial solar installation or ongoing maintenance. While their tenants supported solar roofs, Duke Realty found that facility operations staff were more hesitant. That reluctance waned when they were assured that access to critical roof equipment would be preserved. The company requires review of solar designs to ensure roof equipment remains unobstructed by solar panels. To limit tenant disturbance, solar maintenance crews are required to access the roof and solar system from the outside, usually from an external staircase.

## A Promising Future

Now that Duke Realty has completed its first community solar project, the experience is making it easier to replicate their success across the country. As they start to define best practices for new construction, the company is looking at ways to ensure their roofs are solar-ready; for example, by strategically placing HVAC systems in a way that still allows plenty of space for a solar installation.

The company is currently considering solar hosting opportunities in Illinois and Maryland and believes others in the real estate industry are also realizing how transformative their building portfolios can be – from contributing to the clean energy economy to helping underserved families access the health and financial benefits of renewable power. Duke Realty properties generate 28.2 megawatts of clean electric power on roofs across the country annually.