

Tesla starts to take orders for solar roofs

Price estimates provided before production launch

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NEWS BUSINESS REPORTER

Tesla's solar panel factory in South Buffalo is getting closer to launch.

More than six months after unveiling sleek solar roofing tiles that are expected to be a primary product of the sprawling RiverBend factory, Tesla started to take orders for solar roofs from customers Wednesday.

The announcement is a key step forward for Tesla as it brings its solar roof to market – and is a significant milestone for the Buffalo factory, as well. With orders beginning to come in, Tesla will start to have a sense of the demand for its solar roofing product and how quickly it will need to ramp up production at the South Park Avenue factory to meet those needs.

The solar roof won't be cheap – Tesla estimated that it would cost \$38,300 for a two-story home in the Buffalo Niagara region with 2,000 square feet of space. Between subsidies and the value of the energy it will produce, the company said a homeowner who installs one will come out about \$11,300 ahead after 30 years.

That's just an estimate. Tesla doesn't actually install any rooftop solar in Buffalo Niagara. But the estimated cost of the solar roof is less than many analysts had expected, and could help Tesla market its new roof, which initially will only be available in California and then gradually rolled out in other markets.

"In most cases, it ultimately pays for itself by reducing or eliminating a home's electricity bill," the company said in a blog post. "Although the cost of our solar tiles is more expensive up front, it can be more than offset by the value of energy the tiles produce."

Tesla's solar roof, however, may face its toughest competition in Northeastern markets, including Buffalo and elsewhere in upstate New York, where less expensive asphalt shingles are the norm. Asphalt shingles will cost about half as much as Tesla's solar roofing tiles, according to the company's cost estimates. In contrast, the solar roofing materials cost less than comparable tile, metal and slate materials that are more popular elsewhere, Tesla said.

The solar roof is an important part of Tesla's efforts to revamp the SolarCity rooftop solar installation business it acquired last November. Since then, Tesla has scaled back SolarCity's growth plans, cut advertising and eliminated door-to-door sales, while putting a focus on premium products, such as the solar

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