Mesquite Ridge Solar — Business Plan

Solar installation business in Tucson, AZ · Startup plan

Executive summary

Mesquite Ridge Solar is a new solar installation business in Tucson, AZ offering home rooftop solar design and installation; battery backup, added to a new system or an existing one; permits, utility interconnection and the paperwork to switch the system on; monitoring, maintenance and repairs — including systems another installer left behind; and free site assessments and savings estimates from real utility bills. The model is home systems quoted by the watt from real utility bills, equipment bought job by job on distributor terms with payments tied to installation and switch-on, and growth through referrals, reviews and the roofers and electricians who pass work on.

Startup budget: $62,243 across 10 items, funded from savings. Target: $60,000 in monthly sales.

Twelve months from now, success looks like this: Two home installs a month by month six, every system switched on by the utility within ten weeks of signing, and a review from every homeowner on the day it goes live

Products and services

Mesquite Ridge Solar's core service is home rooftop solar design and installation. Every job starts with a site assessment and twelve months of utility bills, is quoted by the watt with savings that do not depend on an expired credit, is installed by a crew led by a NABCEP-certified installer under the right license, and ends with the utility's permission to operate and monitoring switched on.

- Home rooftop solar design and installation
- Battery backup, added to a new system or an existing one
- Permits, utility interconnection and the paperwork to switch the system on
- Monitoring, maintenance and repairs — including systems another installer left behind
- Free site assessments and savings estimates from real utility bills

Market analysis

The customers are homeowners with high electric bills and a sunny roof, homeowners who want backup power through outages, owners of existing systems whose installer has disappeared, and small businesses and landlords with roof space or land to spare.

- Homeowners with high electric bills and a sound roof that gets full sun
- Homeowners who want backup power through outages, with or without new panels
- Owners of existing systems whose original installer has gone out of business
- Small businesses, farms and landlords with roof space or land to spare

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Marketing strategy

Most customers will find Mesquite Ridge Solar on Google and through word of mouth — searching for a solar installer near them, or asking the neighbor whose panels they can see. Reviews with install photos on the Google Business Profile, referrals from roofers and electricians, and a website with finished systems, real production numbers and a site-assessment form turn that into five-figure jobs without paying for shared leads.

- Google Business Profile and Google Maps — “solar installers near me” and “solar panels” plus your city
- Word of mouth and referrals from neighbors who can see the panels, with a referral thank-you that is written down
- Roofers and electricians who pass on the solar work they do not do themselves
- Home shows, community events and local group-buy programs that bring neighbors in together
- A website with finished installs, real production numbers, reviews and a site-assessment request form

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Operations plan

The owner sells, designs and leads installs in year one with a two-person crew on the company payroll, files every permit and interconnection application in-house, orders equipment job by job, keeps a NABCEP-certified installer on every roof, and adds a second crew once the pipeline of signed jobs holds for three months running.

- A site assessment before any price — roof age and condition, shading, the electric panel and twelve months of the homeowner's utility bills
- Quotes by the watt, with savings worked from the homeowner's real utility rates — and no US federal homeowner credit in the numbers, because it ended for systems installed after 2025
- Distributor accounts for panels, inverters, racking and batteries, ordered job by job rather than stocked
- The company files the permit and the utility interconnection application, and payment milestones follow them: a deposit at signing, most of the balance at installation, the rest at inspection or switch-on
- A NABCEP-certified lead installer and fall protection on every roof — OSHA rules apply on every US job site — and every electrical connection made under the license your state requires
- A written workmanship warranty and monitoring on every system, so a fault is found before the homeowner calls

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Startup costs

What it will take to open the doors, funded from savings.

Startup costs

ITEM	AMOUNT
Working capital: panels, inverters and racking for the first jobs before the final payment arrives	$40,000
Tools and safety gear: drills, torque wrenches, meters, ladders, roof anchors and fall-protection harnesses	$9,500
General liability insurance (first year)	$3,500
State electrical or solar contractor license, exam and bond	$1,650
NABCEP certification and the training to sit it	$1,325
Launch marketing: yard signs, a first round of local ads and a trade-show booth	$4,500
Solar design, shading and proposal software (first year)	$1,500
Business registration, LLC and EIN	$268
Website and Google Business Profile	$0
Invoicing, scheduling and customer records (first year)	$0
Total	**$62,243**

Typical range to start a solar installation business in the US: $26,485–$101,400. Your list is what you decided to spend — replace estimates with real quotes as you get them. Website and Google Business Profile: Your Zarla plan includes the website with your finished installs and a site-assessment request form, and it walks you through your Google Business Profile — a designer typically charges $2,000 or more to build one. Invoicing, scheduling and customer records (first year): Your Zarla plan includes assessment bookings, invoicing and customer management — you will still want your solar design software for the systems themselves.

Financial plan

The numbers below come from your own startup list and typical monthly costs for a solar installation business in the US. Equipment passes through every job; insurance, tools and the license are the fixed costs; and what the business keeps depends on what it spends to win each customer and how quickly the final payment arrives after installation.

Typical monthly operating costs for a solar installation business: $34,000–$83,350 a month, before the owner's own pay.

At $60,000 in monthly sales, Mesquite Ridge Solar would clear up to $26,000 a month before owner pay and tax if costs stay near the low end of the typical range, and recover the $62,243 startup budget in

roughly 3 months. At the high end of typical costs ($83,350) that target doesn't cover them — so the cost list, not the sales target, is the number to pin down first.

Typical monthly operating costs

COST	TYPICAL RANGE
Panels, inverters and racking for two to four home systems a month, plus any batteries sold (scales with jobs)	$22,000–$50,000
A second installer or a subcontracted crew — a rooftop install takes at least two people	$8,000–$20,000
Marketing, bought leads and sales commissions	$3,000–$8,000
General liability and workers' compensation	$300–$1,500
Permit, inspection and interconnection fees (passed through to jobs)	$300–$1,500
Fuel, truck payment, maintenance and equipment rental	$300–$1,500
Solar design, shading and proposal software	$0–$300
Invoicing, scheduling and customer records (included with Zarla)	$0–$150
Phone, bookkeeping, license renewals and certification upkeep	$100–$400

US ranges for a small operation; replace with your own figures as you learn them. Lines marked (included with Zarla) are what those tools cost separately — with Zarla they are part of one monthly plan.

Risks and honest downsides

Every solar installation business plan should say out loud what can go wrong. For Mesquite Ridge Solar, the real risks are:

- Policy moves the market — the homeowner's 30% US federal credit ended for systems installed after 2025, and a state or utility can cut net metering credits with little warning, so every quote has to work without the incentive you hope for
- Winning the customer is one of the biggest costs besides the equipment and the crew, and bought leads are shared with every other installer in town
- You front panels, inverters and racking, and the final payment often waits on an inspection or the utility's permission to switch on — a slow utility can tie up tens of thousands
- Roof work is dangerous and a badly sealed roof penetration leaks for years — falls, leaks and electrical faults are the claims that end small installers
- Warranties outlast companies: homeowners expect 25 years of panels and a decade or more of workmanship cover, and installers that close leave customers who remember the name
- Equipment prices move with tariffs and supply, so a quote held open too long can lose its margin before installation day

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Licenses, permits and insurance

What Mesquite Ridge Solar needs before it can legally trade in the US. Rules vary by state and city — confirm each item with your local licensing office and an accountant.

- State electrical or solar contractor license — In the US, most states treat a solar system as electrical work and require a licensed electrical contractor to connect it; a handful issue a dedicated solar license — California's C-46 solar contractor license (electrical work beyond the system itself, such as a panel upgrade, needs the C-10 electrical license) and Florida's Certified Solar Contractor license are two. Check your state contractor board before you quote your first roof.
- NABCEP certification — Not a license in most US states, but it is the industry's recognized board certification and the credential homeowners, financing companies and some utilities look for; some state incentive programs require certified installers on the job. The PV Installation Professional certification costs $125 to apply and $375 for the exam; the entry-level PV Associate is $25 and $125.
- Building and electrical permits — Every rooftop system in the US needs a permit from the city or county and an inspection before it can be switched on. Some jurisdictions now issue instant online permits for standard home systems; others take weeks — ask your local building department how long a solar permit really takes before you promise a date.
- Utility interconnection agreement — The utility must approve the interconnection application and give permission to operate before the system is turned on. The state and the utility also set the net metering or export credit rules — the single biggest input to a homeowner's savings — so learn your utility's current rules before you quote.
- General liability insurance and workers' compensation — Required or expected almost everywhere in the US: liability cover for roof and electrical work, and workers' compensation in nearly every state the moment you have employees on a roof.
- Home-sales and solar disclosure rules — In the US, the FTC's Cooling-Off Rule gives a buyer three business days to cancel most sales made in their home, and some states add solar-specific rules — California requires a standard solar disclosure document with every contract to sell, finance or lease a home solar system. Check your state's rules before you sell door to door or arrange financing.
- Business registration and EIN — Most installers form an LLC for liability protection; state filing fees run about $35 to $500 and the EIN from the IRS is free. Confirm the details with your accountant and your state contractor board.

Milestones: the next 30 days

The first month's to-do list for Mesquite Ridge Solar, in order:

- Check your state contractor board for the electrical or solar license, exam and bond your area requires
- Form the LLC, get an EIN and buy general liability insurance
- Book the NABCEP exam that fits your experience — the PV Associate if you are new, the PV Installation Professional if you have installs behind you
- Open accounts with two solar distributors and ask for terms
- Read your main utility's interconnection process and its current net metering or export rules end to end
- Ask the local building department how solar permits are filed and how long they really take
- Price three real homes from their utility bills — with no US federal homeowner credit in the numbers
- Set up a free Google Business Profile, put your website live and tell every roofer and electrician you know what you now install

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Appendix: what a lender will ask for

This plan tells the story and shows the numbers. If you take it to a bank, expect to be asked for these documents as well:

- Two years of personal tax returns and a personal financial statement
- A month-by-month 12-month cash-flow projection showing the equipment you front and when each job's final payment lands
- Your contractor license, NABCEP certification and certificates of general liability and workers' comp
- Signed contracts, deposits or a pipeline of assessments with expected revenue per job
- Your distributor terms and any financing partner agreements
- Your credit report and anything you can offer as collateral

Sample plan for a fictional business, written by Zarla's free business plan generator. Every figure is a typical US range or calculated from the sample's own numbers — nothing is a market projection. Make it yours in five questions: zarla.com/business-plan-generator?industry=solar-installation

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