

# CONNECTING TO THE GRID

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### ABOUT THIS NEWSLETTER

While customer-sited net metering and interconnection policies are primarily addressed at the state level, they are also becoming important on a regional basis. This newsletter has been designed to provide state-level policy updates and capture emerging regional trends. *Connecting to the Grid* is a free, electronic newsletter published each month by the Interstate Renewable Energy Council (IREC) and the North Carolina Solar Center at North Carolina State University. [Click here to subscribe.](#)

Please direct comments and questions about the newsletter to Laurel Varnado at [lvarnad@ncsu.edu](mailto:lvarnad@ncsu.edu).





## ESCHEWING OBFUSCATION OR... A LITTLE INFO GOES A LONG WAY

Imagine, for a moment, that you've never heard of net metering (which is not likely if you're reading this newsletter) but you're interested in installing solar panels on your home or business. Where do you turn for information?

In these days of instant access to information, it can be surprisingly difficult for electricity consumers to find information about net metering that is clear, concise, and written for the layperson. And even if the information is readily accessible, it's sometimes written in such a way that you need a degree in energy policy to understand it. Consumers want solar, not an education in engineering and regulatory issues.

While conducting initial research most people will surf around until they find their utility's website, random reports, or the DSIRE database. But, even with all this detailed information about state net metering policies, utility net metering programs can differ slightly from one to the next. Furthermore, customers of municipal utilities and electric cooperatives that are not regulated by the state PUC may not have a net metering tariff at all.

So I went out on a great internet safari to find examples of some utilities that do a great job of publicizing information about net metering and their own programs, in a way that makes sense to customers. The following are a few utilities that had notably good information (though I admittedly didn't go through all 3,000+ utility websites).

**Investor-owned Utilities** - The utility I found to have the most thorough and accessible net metering information was probably Southern California Edison. They have a great [fact sheet](#) posted on their website that details the benefits of net metering, what a sample bill would look like and some frequently asked questions. Florida Power and Light also does a good job of providing information through their [net metering](#) and [FAQs](#) web pages.

**Municipal Utilities** - I was also impressed with Snohomish County Public Utility District's [information page](#) about net metering. It was written in friendly language and included links to all the appropriate forms and applications on the right side of the page. The Long Island Power Authority also provides a good [website](#) that focuses on a simple explanation of net metering and some commonly asked questions.

**Cooperative Utilities** - Choptank Electric Cooperative has dedicated a page on their website to [Net Metering FAQs](#), where they also provide links to their net metering rate tariff and interconnection applications. Through a direct link on their homepage, Sun River Electric Cooperative offers a [detailed description of net metering](#) and provides links to their interconnection application and a sample metering diagram.

So, after my safari, here are some website features I found that I really appreciated:

- Descriptions of net metering that are easy to find from the home page (i.e. I was able to find the net metering page through a "renewable energy options" tab or a similar button on the home page.)
- Drawings! It helps to see the meter and system configuration.
- Non-technical language, unless the terms are first explained in layman's terms.
- A Frequently Asked Questions page
- A sample net metering bill, as it would appear to the customer
- The contact name and number of a dedicated net metering and interconnection representative, who can answer specific questions. (Most general customer service representatives don't know much about net metering, from my experience)

By providing a little easy-to-understand information on their websites, utilities can go a long way to providing an added layer of service and greatly reduce the amount of time that utility customer service representatives spend on the phone with customers explaining net metering.

Regards,  
Laurel Varnado

## NORTHEAST STATES

### MASSACHUSETTS

Since February 2011, DPU has held ongoing stakeholder hearings to discuss the specifics of the net metering queue and in late April issued its “Staff Proposal.” This proposal instructs distribution companies to allow a project developer to occupy a place in its queue, reserving a stated amount of capacity within the strict aggregate cap, upon submission of a complete application to interconnect as a net metering facility. There will be strict deadlines for exiting the queue (i.e. when a project becomes operational or fails to achieve its required development milestones) that will likely vary based upon project specifics such as energy type, facility Class and ownership.

Under the DPU proposal a complete application would include: (a) an executed interconnection service agreement tendered by the distribution company, (b) adequate site control (a sufficient interest in real estate or other contractual right to build the facility at the location specified in the interconnection service agreement), and (c) all necessary governmental permits and approvals to construct the project. The last of these allows an ex-

ception for “ministerial permits,” such as a building permit (notwithstanding the pendency of any challenge to the granting of any such permit or approval). While this proposal provides some of the assurance project developers seek, it is lacking in one important respect; project developers may not extend the reservation period beyond that granted by the DPU, and may not make material changes to the project without losing the allocation. Should these restrictions remain project development may suffer, as such minor delays and changes are the norm in renewables development of this scale.

Ultimately, it is unclear whether DPU will create new regulations based on its proposal, and discussions with the industry. It is clear, however, that project developers, and their lenders, are in need of the assurances that such regulations would provide. If DPU does provide new regulations it will have to undergo the rulemaking process, including notice and opportunity to comment.

Because the aggregate capacity of net metered facilities is capped for each distribution company, it is not enough that the project developer has complied with all requirements. Eventually, eligible projects could be barred from these incentives because the cap has been met. The only true assurance that a project will receive net metering benefits is acknowledgement of eligibility and reservation of capacity by a distribution company. Massachusetts provides this assurance through the net metering queue.

Source: [Mintz](#)

### NEW YORK

On June 1, 2011, Governor Andrew Cuomo signed into law [Assembly Bill 6270](#). This legislation broadens the opportunity for New Yorkers to install on-site renewable energy generating systems by allowing the use of remote net metering.

With the enactment of this legislation agricultural utility customers who install solar energy or farm waste systems may combine meters on properties they lease or own, for the purposes of net metering. Additionally, non-residential customers who operate wind generating systems may also engage in remote net metering. The properties must all be in the same service territory and load zone of their utility but they do not have to be contiguous.

The utility must first credit net excess generation to the meter with the highest use, then subsequent highest use meters after that. Any excess credits will be carried over to the following month.

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Also in New York, on May 19, 2011, the New York State Public Service Commission voted to require that major electric utilities in New York allow net metering customers the option to select when they can cash-out their net metering credits. By providing greater options as to timing, customers will be able to maximize the value of their credits.

“Encouraging homeowners and small businesses to install small-scale renewable energy systems provides long-term benefits to the environment and the economy,” said Commission Chairman Garry Brown. “Our decision

provides consumers with additional choices and greater flexibility to save money. It also makes it easier and more understandable to net meter.”

Residential solar net metered customers are paid by the utility for any electricity produced in excess of what the customer actually uses on an annual basis. If the annual anniversary date for the customer occurs after the high electricity producing summer period, any excess production payments would typically be cashed out by the utility at a much lower rate.

To avoid this disadvantage, the customer is now permitted to opt to individually select an anniversary date for the cash-out of excess net metering credits. This option was also extended to the farm waste, residential wind, and farm wind customers that are also eligible to cash out excess credits, because they could confront disadvantages similar to those that face residential solar customers.

Under earlier rules, utilities with eligible net metering customers credited net excess generation during a billing period to the next bill. Utilities, however, were interpreting differently the statutory requirements for calculating the billing credits. The Commission's decision establishes the rules the utilities must follow when making the calculations, and puts the calculation squarely in favor of the customer, by directing the utilities to reflect all kWh rate elements, including block rates where applicable, when calculating net metering credits.

The Commission's decision may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.state.ny.us](http://www.dps.state.ny.us) and entering Case Number 10-E-0645 in the input box.

### VERMONT

On May 25, 2011, the state of Vermont signed a wide-ranging renewable energy bill into law that will introduce what may be the nation's most streamlined process for getting small-scale solar installations up and running.

Among myriad other provisions, the law eliminates the sort of permitting and inspection snarls that have long delayed, complicated and, some argue, arbitrarily increased the cost of small-scale residential and commercial solar projects -- a problem that the solar industry and clean energy supporters face in dozens of states and jurisdictions across the country.

“There is a fiscal and environmental urgency for Vermont to move off fossil fuels and toward sustainable sources of power,” Gov. Peter Shumlin, a Democrat, said in a statement on Wednesday.

In a nutshell, the new provision essentially eliminates permitting altogether and reduces most administrative headaches to a 10 day process or less.

For a small-scale solar customer -- a homeowner, business, a non-profit, school, municipality or any other entity interested in a solar array system up to 5 kilowatts in size -- the process will soon entail completing a registration form and a certificate of compliance with grid connection requirements.

The local utility then has 10 days to raise any issues. After that, the path is clear.

The new registration process will go into effect beginning January, 2012.

For years, the residential solar industry and homeowners alike have complained bitterly about local permitting

bottlenecks.

Within a single service area, a solar installer or service company might well encounter dozens of different local ordinances, building and electric codes, zoning laws and permitting costs and idiosyncrasies that make estimating the final price tag -- or installation timeline -- for a solar system a nearly impossible affair.

Some installers complain an array costing \$7,000 in one neighborhood could cost twice that amount -- and take weeks or months longer to get approved by all the appropriate local bureaucracies -- just a mile away in the next community simply because of added and variant permitting and inspection costs.

A study released in January by Sun-Run, a solar leasing company based in California, estimated that local permitting and inspection costs add roughly 50 cents per watt, or about \$2,500 to the cost of an average residential installation.

The U.S. Department of Energy has also been developing various initiatives in concert with industry partners to tackle these sorts of non-technical, bureaucratic and administrative barriers to solar power expansion.

Source: [Huffington Post](#)

## MID-ATLANTIC STATES

### NEW JERSEY

On June 7, 2011, New Jersey Governor Chris Christie announced that he planned to scale back New Jersey's goals for renewable energy as he looked for an "achievable" approach to generating electricity in the state.

His change is part of an overhaul of the state's 10-year energy master plan, which had been expected since last year, when he asked the New Jersey Board of Public Utilities to evaluate renewable energy targets he found too aggressive. But after his decision last month to withdraw from a multistate trading system, the Regional Greenhouse Gas Initiative, environmental advocates called the move another setback undermining the state's leadership on energy initiatives.

Public hearings will be held on the plan before it becomes final. The revision sets the amount of electricity to be obtained from renewable sources like solar or wind power at 22.5 percent by 2021, down from 30 percent. It also puts more emphasis on electricity powered by natural gas; the state is already seeking to build three new gas plants.

Source: [New York Times](#)

### PENNSYLVANIA

The PUC will begin a two-phase investigation into the retail electricity market in Pennsylvania starting with a hearing of industry officials and consumer ad-

vocates on June 8 in Harrisburg.

"After we get those comments in we'll look into what if anything about the market we need to address," said PUC spokesperson Denise McCracken.

McCracken said the investigation stems from the recent merger of First-Energy and Allegheny Energy, two large generation and distribution companies.

"We want to be sure that with the merger there's still plenty of competition in the marketplace," McCracken said.

Recently, the Commission responded to a Philadelphia Inquirer story about billing problems in the southeast. One retailer failed to display its rates; another mistakenly added a sales tax to the bill.

A letter from the Commission ordered the state's electric utilities and more than 100 licensed electricity suppliers to disclose any billing irregularities and "plan corrective measures."

Source: [Duane Morris LLP](#)

### WEST VIRGINIA

One of IREC's more significant success stories of 2010 was the West Virginia Public Service Commission's adoption of interconnection standards based on IREC's Model Interconnection Rules.

In June 2010, the Commission issued an order adopting "Rules Governing Electric Utility Net Metering Arrangements and Interconnections," which ultimately helped West Virginia score a "B" in the 2010 edition of Freeing the Grid, a policy guide that grades states on two key program areas: net meter-

ing and interconnection procedures. Freeing the Grid is produced annually by the Network for New Energy Choices in partnership with Vote Solar, the Interstate Renewable Energy Council, and the North Carolina Solar Center.

In September, the Commission noticed an omission in the rules and opened an investigation to correct the error. In December 2010, the Commission proposed adoption of Article 6 of IREC's Model Rules in its entirety. Both IREC and PSC staff filed comments.

"IREC's comments supported the complete adoption of Article 6 of its Model Interconnection Rule," said Kevin Fox, Partner, Keyes & Fox, and lead attorney for the case, while the PSC staff urged only partial adoption, excluding provisions on limitation of liability, consequential damages and indemnity to avoid potential conflicts between the PSC and state courts on contractual issues and award of damages.

In a surprise ruling, the PSC stated that it was persuaded to reach its decision based on IREC's comments and dismissed concerns that it would be called on to encroach on the domain of state courts to enforce contractual provisions and award damages. According to Fox, the PSC's decision to adopt all of Article 6 will provide parties more certainty about respective rights and obligations.

"Although the revisions to the rules are relatively minor, it is important and noteworthy to see IREC's continuing impact in West Virginia," said Fox. Thad Culley headed up work for IREC on this issue.

The final rules will be effective July 18, 2011.

For more information, contact Thad Culley: [thadc@irecusa.org](mailto:thadc@irecusa.org).

## MIDWESTERN STATES

### ILLINOIS

On May 9, 2011 Illinois Governor Pat Quinn announced a comprehensive proposal that will protect Illinois' consumers by stabilizing energy bills, while creating thousands of jobs and encouraging investment in clean, renewable and reliable energy. The plan moves Illinois towards ensuring that 25 percent of our energy comes from renewable sources by 2025, which is mandated by state law.

"A comprehensive approach is required to address the energy challenges of today and tomorrow," said Governor Quinn. "This plan will protect Illinois consumers from high energy costs, while creating thousands of jobs by increasing energy efficiency, improving our state's aging energy infrastructure and shifting to cleaner, renewable and reliable energy sources."

The Governor's comprehensive strategy modernizes our electric grid and energy infrastructure in a way that benefits Illinois' consumers. The plan encourages investment in energy efficiency projects that shield consumers from high energy prices and supports renewable energy projects. It also creates a path for approval of clean coal projects, which will help us responsibly harness our significant coal reserves.

The proposal helps consumers invest in their own clean energy generation (i.e. solar), freeing them from the need to buy power and reducing capacity problems on our electric grid. It also guarantees that consumers benefit from grid upgrades, instead of the utility companies, by strictly defining those kinds of grid upgrades and ensuring

that they create jobs.

Under the Governor's proposal, the Illinois Power Agency (IPA) will be able to effectively broker long-term contracts for clean energy, which will lock in low rates for consumers, help lower energy prices overall and allow new projects to be built, which will create new jobs. The plan will stimulate investment in clean energy that is projected to create more than 6,000 jobs over six years.

Source: [Governor's Press Release](#)

### MICHIGAN

On May 26, 2011, the Michigan Public Service Commission (MPSC) approved a revised renewable energy surcharge for Consumers Energy electric customers, lowering the monthly per meter surcharge for residential customers from \$2.50 to 65 cents, effective with the September billing month.

On Feb. 24, the utility filed an application requesting approval of an amended renewable energy plan. On May 10, the MPSC issued an order that conditionally approved the utility's amended renewable energy plan (REP) that reflected lower costs than originally forecast and expanded its Experimental Advanced Renewable Program (EARP), subject to certain conditions.

On May 20, the company submitted a revised set of surcharges and stated that a program similar to the EARP program will be developed at a cost of approximately \$16.5 million and is expected to result in approximately three megawatts of additional solar installations. In addition, \$3.5 million will be

used in the development of a methane digester program and potentially one or more provider-owned solar projects, such as projects developed in conjunction with Michigan manufacturers of solar generation materials and Michigan universities or secondary school systems.

The MPSC is an agency within the Department of Licensing and Regulatory Affairs.

Case No. U-16543

Source: [MI PSC Press Release](#)

## SOUTHERN STATES

### GEORGIA

On June 7, 2011, Commissioner Lauren "Bubba" McDonald, Jr. called on Georgia Power Company and the staff of the Georgia Public Service Commission to present to the Commission options on the expansion of large scale solar energy projects in Georgia within 30 days. Commissioner McDonald made his request during a Commission Administrative Session.

"I have been and continue to look for ways to encourage the development of solar energy in the state of Georgia," McDonald said. "As part of an overall portfolio mix, I believe solar energy can serve as a reliable source of clean energy and a hedge against volatility in the price of fossil fuels.

As the cost of solar energy continues to decline, Georgia Power and this Commission should be prepared to move toward the inclusion of more solar energy in Georgia Power's resource mix."

McDonald added that one option would be to carve out additional capacity for solar energy from the Georgia Power 2015 Request For Proposal (RFP) seeking additional electric generation capacity. He added that another option would be an amendment to Georgia Power's Renewable Action Plan that would allow for the possibility of including solar energy through a Purchased Power Agreement (PPA).

Source: [Georgia PSC Press Release](#)

## WESTERN STATES

### IDAHO

The Idaho Public Utilities Commission has determined to leave the eligibility cap under which wind and solar projects can qualify for commission published rates at 100 kilowatts, instead of the 10-megawatt cap in place up until Dec. 14, 2010. Wind developers have preferred to be paid the commission's published rate by the utilities that buy output from them because the rate is typically more attractive than a rate they would have to otherwise negotiate with utilities.

As a result of the commission's decision, developers of 12 Idaho Power Company wind projects and five Rocky Mountain Power projects whose contracts were executed after the Dec. 14 deadline will not be eligible for published rates. However, the wind projects could still be developed under a rate negotiated between the project developers and the utilities. (The projects are detailed below.) Ten Idaho Power wind projects that were submitted just before the deadline have already

been approved by the commission.

The commission said that continuing to allow wind projects larger than 100 kW to be paid the published rate does not benefit ratepayers. "If we allow the current trend to continue, customers may be forced to pay for resources at an inflated rate and, potentially, before the energy is actually needed by the utility to serve its customers," the commission said. "This is clearly not in the public interest."

Idaho's three major regulated electric utilities petitioned the commission last November to reduce the 10 average MW eligibility cap because of the rapid development of large-scale wind projects that were "disaggregating" – breaking themselves down into smaller 10 MW projects – in order to qualify for the published rate. The utilities claimed that the rapid increase in the number of wind applications was forcing them to buy power they did not need at rates that are not reasonable for customers.

When combined, these projects can total up to 100 or 150 MW interconnecting at one delivery point, the utilities claim. For example, Idaho Power claimed it had about 470 MW of wind power online at the end of 2010. The utility claimed that with commission approval of a number of proposed wind contracts, Idaho Power would have 1,100 MW of wind generation on its system in the near term, which exceeds the amount of power used in its total system on the lightest energy-use days.

PURPA, the Public Utility Regulatory Policies Act, requires regulated utilities to buy power generated by small qualifying projects (QFs) at rates based on "avoided-cost" – the cost the purchasing utility avoids by not having

to generate or buy from elsewhere the energy the PURPA project generates. The published rate paid developers in recent years does not truly represent "avoided-cost," the utilities claimed.

## UPCOMING EVENTS

### [Clean Technology Conference and Expo 2011](#)

Boston, MA  
June 13-16, 2011

### [8th Renewable Energy Finance Forum – Wall Street](#)

New York, NY  
June 21–22, 2011

### [Intersolar](#)

July 12-14  
San Francisco, CA

### [Utility Solar Conference](#)

July 26 – 27  
San Diego, CA

### [Solar Power International 2011](#)

October 17 - 20  
Dallas, TX

Visit [IREC's online calendar](#) for more details and events. If you have events you'd like to include in this newsletter, [contact us](#).

While leaving the 100 kW cap in place, the commission is initiating another proceeding to investigate the methodology used to calculate the avoided-cost rate. “We believe it is more appropriate to first establish the just and reasonable avoided-cost rates before we implement procedures for obtaining the rate,” the commission said.

“While we recognize the impact that this decision will have on small wind and solar projects, it would be erroneous, and illegal pursuant to PURPA, for this commission to allow large projects to obtain a rate that is not an accurate reflection of the utility’s avoided cost for the purchase of QF generation,” the commission said.

Source: [Idaho PUC Press Release](#)

## MONTANA

On May 13, 2011 Montana Governor Brian Schweitzer vetoed [SB 225](#), a bill concerning small generator interconnection.

In his veto letter, Governor Schweitzer made the following comments about the bill:

Senate Bill 225 amends Montana statutes implementing the federal Public Utility Regulatory Policies Act (PURPA) and related rules. The bill would both add to and subtract from the criteria that guide the Public Service Commission (PSC) in setting rates for small power production facilities. A prominent amendment to current law found in SB 225 is the direction given to the PSC to base power rates on a consideration of whether a small power production facility has attributes that “meet the needs of a utility as outlined in the utility’s plan.” Given that the utility’s plan is a creation of the utility itself, this rate-setting criterion is totally circular and is in the exclusive self-interest of the utility. This self-serving criterion, which is

not found in PURPA, appears contrary to the purpose of the federal law, making it an invitation to litigation.

Additionally, the intent of PURPA is to encourage substantial investments in new power facilities. As with any generation facility, the cost of these new power facilities can only be recovered over the long term. Therefore, it would be a critical mistake to strike the existing statutory language encouraging long-term contracts, which unfortunately is one of the things that SB 225 does.

I also ask legislators to recall that the key portion of SB 225, dealing with avoided cost, is duplicated by the content of HB 92, which was introduced at the request of the Energy and Telecommunications Interim Committee following a request from the Public Service Commission itself, and which I have already signed into law.

Given the problems that remain in the bill, I have chosen to veto it to avoid preemption issues, potential litigation, and confusion.

Source: [Letter from the Governor](#)

## NEVADA

On June 2, 2011, Nevada Governor Brian Sandoval signed [Senate Bill 59](#). This bill increased the aggregate participation limit for net metering systems from 1% of a single utility’s peak capacity to 2% of the total peak capacity of all utilities in the state

## MISCELLANEOUS NEWS

### JAMAICA EXPLORES NET METERING POLICY

Driven by social, economic and environmental concerns, the Government of Jamaica has expressed increasing interest in the development of renewable energy. Facilitating net metering is one strategy identified in the Ministry of Mining and Energy’s draft National Renewable Energy Policy. Net metering is a system which would permit a customer with a renewable source, such as a solar panel to connect its supply to the Jamaica Public Service Company’s (“JPS”) grid. The customer-generated energy may then be used to offset energy provided by JPS to the customer. Pursuant to the draft policy, customers would be credited at retail prices for any energy produced and supplied to the grid. Under a net metering policy, the customer would enjoy one-to-one savings for each unit of energy produced.

Consistent with its over-arching policy to encourage renewable energy, the ministry is considering measures to ensure the legal and financial feasibility of net metering. The Office of Utilities Regulation (OUR) has released a draft Standard Offer Contract with terms and conditions on which customers may connect to the JPS grid. One very important feature of this contract is that it employs a net billing system rather than the net metering system described above. Under the net billing system, the energy generated by the customer is measured (using an additional meter) and fed into the grid.

The customer is charged for its con-

sumption at prevailing retail rates (approximately 35 US cents per kilowatt hour (kWh)) and is credited for the amount that it has supplied to the grid at the “long run avoided cost of generation to the JPS Grid”. The avoided cost is published by the OUR and is approximately 10 US cents per kWh. Whereas a customer might anticipate saving 35 cent per kWh generated under net metering, that customer would save 10 cent per kWh generated under net billing. Industry commentators have argued that the choice of the net billing mechanism as well as the calculated avoided cost will diminish the economic feasibility of customer generation of renewable energy.

The Standard Form Contract also requires the customer to obtain licenses from the ministry to operate the equipment and to connect to the grid, insurances against any harm it may cause to JPS equipment and certification of inspection by the Government Electrical Inspector. These several administrative hoops and the economic constraints caused by the net billing methodology may make customer investment in renewable energy generation less attractive than it might otherwise be.

The OUR is currently accepting comments from the public on the Standard Draft Contract.

Source: [Jamaica Observer](#)

### **U.S. DOE LAUNCHES SUNSHOT INITIATIVE**

Photovoltaic module prices have come down over the past few years, so have the costs of installing solar for

homeowners and small businesses. But as these costs have fallen, the so-called soft costs of installing solar, which include permitting, coding, legal and regulatory costs, have remained stagnant.

To address the issues, the Department of Energy is offering up to \$27 million to help streamline the process.

“The ‘soft costs’ involved in solar energy can account for 40 percent of the total cost of a solar energy installation. We expect that by the end of the decade, we’ll be able to reduce the soft costs of solar energy by more than half,” said DOE spokesperson Jen Stutsman. “The transformational efforts being pursued through the Rooftop Solar Challenge, the Sanders legislation, and other DOE solar programs are all developed to achieve these cost reductions, enable the widespread deployment of solar energy, and save time and money for local governments to permit solar energy systems.”

The June 1 announcement of the funding opportunities included up to \$12.5 million under the Rooftop Solar Challenge and up to \$15 million over three years to support Balance of System Cost reductions.

The announcement follows legislation introduced last Friday, the 10 Million Solar Roofs Act of 2011, which also aims to reduce the soft costs of solar. That legislation was introduced by Senators Bernie Sanders (I-Vt.), John Boozman (R-Ark.) and Jeff Bingaman (D-N.M.).

“The two current funding opportunities were designed to be complementary,” Stutsman said. “The Rooftop Solar Challenge is ‘action oriented’—aimed at driving real change in how the per-

mitting and interconnection processes are implemented by local governments and utilities, while the Balance of System Costs funding opportunity is geared toward developing IT solutions, databases, trainings and other tools to be utilized by local and state governments, utilities, industry, Challenge participants and others to enable the streamlining and standardization of these processes.”

The Rooftop Solar Challenge seeks to establish consistency in the processes used to implement codes, and to standardize processes across the largest possible areas, according to Stutsman.

“This could be large metropolitan regions within a state, statewide, or across multi-state regions,” she said. “Greater standardization and an increase in consistency are imperative for driving down the costs associated with rooftop solar installations.”

Source: [Clean Energy Authority](#)

### **U.K. FOLLOWS SPAIN, GERMANY IN REDUCING FEED-IN TARIFFS**

The U.K. recently cut subsidized rates for electricity from solar panels by as much as 71 percent, trying to avoid a proliferation of commercial solar farms that would compete with homes for the funding.

The above-market price paid for power from photovoltaic panels was reduced to 8.5 pence (14 U.S. cents) from 29.3 pence for the largest projects, while the smallest rooftop systems for homes or small businesses were spared cuts, the Department for Energy and Climate Change said in a statement.

The U.K. follows Spain, Germany and Italy in slashing solar tariffs to reduce costs for consumers and utilities that have to pay the higher expense of clean energy. Britain, the smallest market of the group and the latest to introduce subsidies, was the quickest to backpedal. It announced a review less than a year after introducing the subsidized rate.

“Had we not acted urgently to reduce tariffs the whole feed-in tariff scheme would have been entirely swamped,” Climate Change Minister Greg Barker said in a telephone interview. “If we’d left this unchanged, we could have ended up with a Spanish-style bubble.”

In Spain, installations plunged to 69 megawatts in 2009 from about 2,800 megawatts in 2008 after incentives were reduced to stem a surging industry. Barker said he’s looking to change the U.K. tariffs from a “stop-go” system to one that has rolling, predictable changes, as in Germany. Under the German system, cuts deepen progressively as more projects are built.

Source: [Bloomberg News](#)

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