



June 23, 2015

Lee Eng Tan  
Senior Attorney, Office of the General Counsel  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: Solar Energy in Florida- Request for Comments**

Dear Ms. Tan,

On behalf of Florida Alliance for Renewable Energy (FARE), we would like to express our appreciation for the opportunity to provide input on what policies or programs would be most effective at promoting demand-side solar energy systems for the customers of the state of Florida. The Florida Alliance for Renewable Energy (FARE) is the state's leading renewable energy trade association, with thousands of supporters across Florida and the United States sharing the common cause of advocating for legislative policy that would create a long term, distributed marketplace for renewable energy in Florida.

The creation of effective, long-term policies and their mechanisms is essential to serving Florida's ratepayers and protecting our energy security by diversifying our fuel mix. Currently there are 130,000 people employed in the Florida solar market by over 14,000 energy related businesses. Many of these are small businesses that drive economic growth. Considering Florida is the 3<sup>rd</sup> most populated state, these jobs are a fraction of those that could exist if Florida lived up to its solar and renewable energy production potential. The Solar Foundation has ranked Florida 3<sup>rd</sup> nationally in solar job potential. Every year without a long-term state energy policy billions of dollars escape out of our economy specifically for fossil fuel based energy purchases. The potential for keeping those dollars, and the local jobs that they would create, is opportunity laid waste without effective long term policy's and mechanisms implemented.

FARE recommends upholding current net metering rules, removing restrictions on aggregated net metering, interconnection reform, competitive and transparent supply side mechanisms, designing low income ratepayer programs, continuing and expanding support for distributed solar thermal resources. We provide additional information and rationales for each recommendation below. Please note, the comments contained herein reflect the views of FARE and not the views of any individual member or company.

### **Net Energy Metering**

FARE recommends that the Public Service Commission preserve Florida's current net energy metering laws and continue to provide grid interconnection access in a non-discriminatory manner to all classes of ratepayers. Net Energy Metering (NEM) has been shown to be a successful policy instrument for expanding the renewable energy markets throughout the United States. In 2014 National Renewable Energy Laboratory (NREL) analyzed policy initiatives that encourage private investment for building solar photovoltaic (PV) in those markets. NREL reports that "states in all contexts experienced more robust markets with the implementation of interconnection and net metering." For growth to continue throughout the state of Florida, NEM must be preserved and users should not be penalized for their decision to install distributed energy on their property. It is critical for the Public Service Commission to maintain reliable, non-discriminatory ratepayer service to all customers. Punitive and non-cost based charges should also be prohibited. We fully agree with and support the comments submitted by IREC concerning Florida's net energy metering (NEM) rules.

### **Aggregated Net Metering**

FARE believes that aggregated net metering (ANM) should also play a role in broadening Florida's current net energy metering policy. FARE supports IREC's position to adopt simple rule changes to Rule 25-6.102 of the Florida Administrative Code which precludes ANM and other "conjunctive" billing arrangements for customers of investor-owned electric utilities.<sup>1</sup> IREC has provided model language for meter aggregation within its *Model Net Metering Rules*<sup>2</sup>. FARE hopes the commission will consider this proposed rule change as this will provide industrial, commercial, and agricultural solar projects with reasonable rules for onsite generation across multiple meters.

### **Interconnection**

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<sup>1</sup> Rule 25-6.102 states, "Conjunctive billing means totalizing metering, additive billing, plural meter billing, conjunctive metering, and all like or similar billing practices which seek to combine, for billing purposes, the separate consumptions and registered demands of two or more points of delivery serving a single customer... Conjunctive billing shall not be permitted."

<sup>2</sup> *IREC Model Net Metering Rules*, 2009, p. 6, available at: <http://www.irecusa.org/publications/>.

FARE supports IREC's proposals to reform and improve interconnection procedures in the state. Efficient interconnection procedures are vital for solar projects to be cost effective and time efficient. The future sustainability of the solar industry and its inherent job creation is dependent on reliable and certain interconnection to the grid. The current interconnection procedures are outdated and IREC's recommendations should facilitate growth of the solar industry. FARE recommends the Commission review IREC's *Model Interconnection Procedures* and other recent developments to orient the discussion<sup>3</sup>.

### **Low Income Incentives**

FARE requests that the Commission seek input from stakeholders in designing a program that provides solar financing arrangements to low income homeowners without income or credit quality barriers. Solar financing options have catalyzed companies and organizations to enter a nascent market that can cater to low income consumers. The programs work by lowering or eliminating credit requirements and debt-to-income requirements<sup>4</sup>.

### **Solar Thermal**

FARE recommends seeking alternatives to promoting solar thermal across all ratepayers since solar thermal applications are well-suited for Florida's environment. A modified residential solar thermal program will positively impact Florida's winter peak as well as diversify Florida's energy mix.

FARE recommends the Commission pursue programs that can reduce winter peak through a modified solar water heating rebate program that is coupled with a load control device and meter. Solar thermal facilities have long been identified as a cost-effective way to reduce customer demand and FARE encourages a modified program to be reviewed in the near-term.

### **Supply side**

The missed opportunity for increased renewable energy in Florida is not just limited to the demand side of the meter. The supply side has massive potential for job creation and is a critical component to diversifying our fuel mix and for the long term protection of ratepayers. FARE fully supports requiring utilities to study solar as a supply-side resource in the resource planning process, as well as community/shared solar programs and establishing a process for selecting cost-effective solar resource projects, including RFPs.

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<sup>3</sup> IREC. *Model Interconnection Procedures*, 2013 available at <http://www.irecusa.org/model-interconnection-procedures/>

<sup>4</sup> Solar Energy Loan Fund program available at <http://cleanenergyloanprogram.org/>

## **Conclusions**

In order to protect ratepayers, diversify our fuel mix, create jobs, and grow the Florida economy, FARE recommends upholding the current net metering rules, removing restrictions on aggregated net metering, interconnection reform, competitive and transparent supply side mechanisms, designing low income ratepayer programs and continuing and expanding support for distributed solar thermal resources. Policies which encourage both supply side solar and demand side solar will help all Floridians and start to diversify our energy source. We thank the Commission for your consideration of this input.

Professionally yours,

Scott McIntyre

President, Florida Alliance for Renewable Energy