

Jacob Veauhn

From: Jacob Veauhn on behalf of Records Clerk
Sent: Friday, October 9, 2020 9:18 AM
To: 'Justin Hoysradt'
Cc: Consumer Contact
Subject: RE: Docket 2020-0000 Workshop Comments - Florida Solar Industries Assn.

Good afternoon, Justin Hoysradt

We will be placing your comments below in consumer correspondence in Docket No. 20200000 and forwarding your comments to the Office of Consumer Assistance and Outreach.

Jacob Veauhn

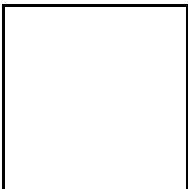
Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
Jacob.Veauhn@psc.state.fl.us
850.413.6656

From: Justin Hoysradt <justin@vinyasun.com>
Sent: Thursday, October 8, 2020 5:16 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>
Subject: Docket 2020-0000 Workshop Comments - Florida Solar Industries Assn.

Attached you will find written comments to be file in Docket 2020-0000

Thank you,

Justin

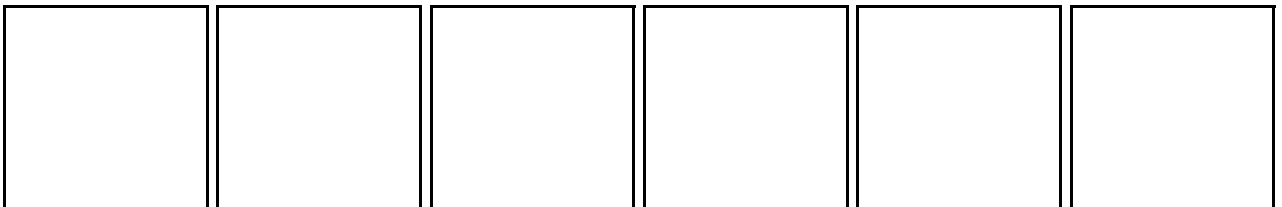


Justin Hoysradt

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SunPower Authorized Dealer, Tesla Certified Installer



October 8, 2020

Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Chairman Clark and Commissioners:

The Florida Solar Energy Industries Association (FlaSEIA)¹ offers the following comments with respect to the historic, current, and evolving state of customer-sited renewable energy in Florida. We thank the Commission and staff for the preparation, attention and our inclusion in discussing these important issues through the workshop held on September 17, 2020, and we look forward to continued engagement with the Commission, electric utilities and other stakeholders as we all seek to encourage the adoption of rooftop solar investments in the state.

In these post-workshop comments, we intend to limit our focus on key points affecting our members and end users while acknowledging our full support in agreement of the substantive comments submitted by Vote Solar.

Therefore, our focus is on

- (1) externalities outside of regulatory environment which are slowing the adoption of rooftop solar in Florida which deems continued Commission support, not less; and
- (2) provide ways the Investor Owned Utilities can and should promote (*not discourage*) rooftop solar without necessitating any rule changes

Net Metering: A cornerstone to a building under construction

Net metering has been a proven policy used in 42 states. When held true, the policy is as easy to understand as rollover minutes on a wireless phone plan. A simple billing methodology that provides for fair, full retail kWh credit, against onsite usage. We believe that following the workshop the Commission can comfortably continue to support net metering without concern. However, we would like to provide examples of current and approaching externalities which continue to slow pace of customer adoption outside of the Commission purview.

- **Permitting:** While some progress has been made at cutting the proverbial red tape, reducing permit costs and review timelines there are many municipalities that are reluctant to do so. Many still take more than 28 working days to perform the intake, review and issuance of a rooftop solar building permit while at the same time collecting fees between 2% and 4% of the job cost or approximately \$0.06 - \$0.10/watt in a typical installation. While other states have mandated a cap on permit costs², in Florida that has been solely left up to the individual municipality. While the fee collection is a benefit to the local municipality it is a headwind that slows the adoption of solar.
- **Strict Building Codes and Standards:** Floridians benefit from the safety of having some of the strictest building codes in the country. While the industry has made impactful efforts to manufacture specific products and provide rigorous testing to ensure safety and reliability, these efforts are not without cost. As these codes and standards continue to evolve, they are placing additional costs on rooftop solar that other markets are safely and comfortably able to avoid.

¹ Since 1977 FlaSEIA has been the leading and only local non-profit trade organization to represent the solar energy industry. Our membership includes Licensed Solar Energy Contractors, Electricians, Roofing Contractors, Engineering firms, Equipment Distributors, Equipment Manufacturers, Financial Companies and even End Users.

² AB 2188 (CA) Solar Energy Permits https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB2188

- **Unlawful Deed Restrictions Associations:** Despite the Florida legislatures long standing support of private property rights, there are still many community associations which choose to snub their nose at Florida's solar access laws. While the statute provides clear language protecting a property owners rights against prohibition to install rooftop solar despite the existence of a deed restriction, covenant, or similar binding agreement³ there are still community associations, old and new, which continue to amend their by-laws to do just that. Even certain municipalities have attempted, aggressively, to sequester this statute⁴.
- **Property Insurance Issues:** Floridians continue to struggle with property and casualty insurance issues of all kinds. Now, some property insurers are dropping homeowners from their coverage after installing rooftop solar energy systems. It remains determined whether this is fair or legal under current statute.
- **Declining Federal Incentives:** While a declining Federal incentive places a sense of urgency to install rooftop solar before the credit expires each year, in Florida, most rooftop solar installations are owned through a cash purchase. While leased systems may still benefit from an investment tax credit, most Floridians will see the investment tax credit decline to 0% in 2022.
- **Strong Consumer Protections:** Florida has some of the strongest consumer protections in the country. While supporting fair taxation of renewable energy our state leaders made sure that such policy would not attract bad actors to the industry, either locally or from out of state.
- **Limited Access to Free Market Financing:** The majority of customer-owned renewables are deployed through small residential installations. Florida is still one of now only 4-states which explicitly disallows the popular free market financing structure of the Power Purchase Agreement. This has slowed the adoption of not just corporate adoption of customer sited solar but has also limited the participations of local governments, non-profits, and places of worship to the effect that through their desire to participate have chosen a higher cost alternative through the FPL Solar Together Program⁵.

While some of these examples have benefits to Floridians seeking to adopt solar in the long run, they also pose challenges to expedient growth. Without Commission support of net metering these roadblocks provide too large of a challenge for the benefit.

Utilities can do more to promote rooftop solar together with the industry

Rulemaking is a rigorous, time consuming and costly process and should be avoided if the merit of the rule need not be changed. During the workshop Commissioner Graham brought up a considerable concern over Floridians adopting larger solar energy systems to support electric vehicles. Fortunately, in the original Order the Commission provided some leeway in the insurance requirements for Tier 2 systems by providing a ceiling for the insurance requirements, "no more than \$1 million for Tier 2." Rule 25-6.065(5)(e). As these systems proved safe for operability, it is incumbent on the IOU's to reduce the cost burden on the participants and as staff commented, systems sizes as large as 250kW, more than double the size of the largest Tier 2 system, have been deemed safe and without incident to carry such liability policy.

³ Florida's solar access law. http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0163/Sections/0163.04.html

⁴ Coral Gables man denied permit for rooftop solar over aesthetics: <https://www.miamiherald.com/news/local/environment/article223187560.html>

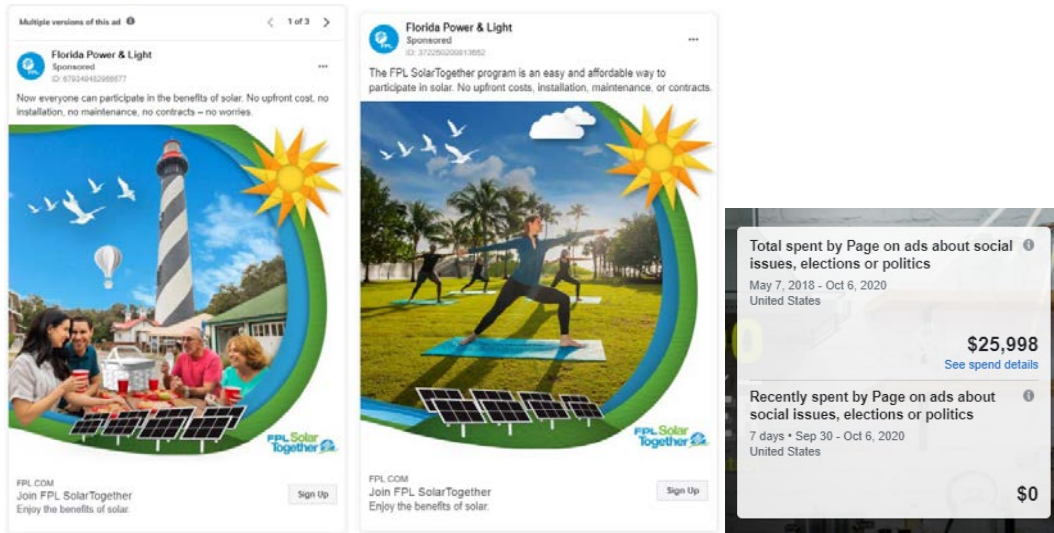
⁵ SolarTogether Press Release: <https://www.prnewswire.com/news-releases/fpl-announces-plans-for-the-largest-community-solar-program-in-the-us-300812040.html>

It would be encouraging to see the Commission attempt to compel the utilities to voluntarily submit updated interconnection agreements with more appropriate insurance policies, like \$100,000, that are more in-line with today's more advanced, reliable, and safe solar technology.

Utilities should market net metering alongside their successful community solar program

Consumers trust the voice of their utility so much that they have subscribed to community solar programs at a much more significant adoption rate than rooftop solar. This is in part because the IOUs are actively promoting their program on social media. Utilities could be using their voice to support their customers choice between community solar and rooftop solar.

In these examples of ads promoted by Florida Power & Light through Facebook, Instagram, and Messenger you can see the ad text is primarily targeted at compelling would be rooftop solar customers to their program⁶.



This is an area where the utilities should and clearly can do better. This type of advertising also appear in consumer and business bill inserts via email as stated during the workshop.

Utility support for the Commissions net metering rule and their subsequently adopted programs could do wonders for the community, environment, and job creation at a time when unemployment is at an all-time high. Since the commission rule it has been the burden of the private sector to market net metering and without support from the utility it has been a heavy lift. Heavy marketing costs increases the cost to the end consumer.

Solar + Net metering is the right choice for Florida

Florida's net metering rule has led to the creation of tens of thousands of well-paying local jobs. Those jobs are created by mostly small business owners, like many of our members, who have invested seed money from family and friends, used home equity, or went to their local banker for a loan.

While only a few thousand homes and business have taken advantage of net-metering the positive economic impact is felt through the job creation and the millions of dollars of Federal tax dollars that were able to remain in the state of Florida rather than being socialized into other Federal government spending⁷.

⁶ FPL Facebook Ad Library

https://www.facebook.com/ads/library/?active_status=all&ad_type=all&country=US&view_all_page_id=368601454235

⁷ Average annual impact of tax credits 2016-2025 <https://www.nrdc.org/sites/default/files/engine-growth-renewable-energy-tax-credits-report.pdf>

While the economic impacts through energy bill savings is compelling the additional benefits of safety and reliability are becoming even more of a driver. Advanced battery storage technology and costs are improving at a rate fast than solar⁸. Florida's hurricane-stricken history combined with bottlenecked evacuation routes makes Florida the perfect environment for safe, reliable, solar plus battery storage adoption. Being able to provide a safe and secure location, whether it be in a school gymnasium or safe at home. Net metering still provides the initial building block by which the project begins.

Conclusion

Like the Utilities, the Solar Industry will continue to put our customers first. We continue to find new and exiting ways to provide Floridians with solutions to generating energy onsite at their homes and businesses. Whether their motivation be for savings, environmental concerns, being better parents, or because they simply love cool new technology, our members standby to serve them.

We understand that this review of customer-sited renewables and net metering was brought about primarily by unsubstantiated claims in a nefariously written report. However, we hope that our participation has provided insight into the struggles that solar energy companies and consumers who wish to participate in net metering face and that in fact *the pump has not been primed* in Florida and that there is more that could be done.

We urge Commission to remain diligent in efforts to promote customer sited renewables. To continue seeking out new tools and programs through open stakeholder and customer engagement processes. Leadership and participation in NARUC. Programs that may be deployed to further expand customer participation, including low to moderate income consumers. Through all of these efforts and continued collaboration we can find the tools for utility and private sector partnership revenue models that increase reliability, safety, and continue to keep rates low for Florida's existing population and the thousands more who move here each month.

Sincerely



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⁸ Wood Mackenzie <https://www.woodmac.com/news/editorial/solar-storage-falling-2020/>