Bret Fanshaw Solar Program Coordinator Environment Florida 3110 1st Ave. N, Ste 2K St. Petersburg, FL 33713

Lee Eng Tan Senior Attorney, Office of the General Council Florida Public Service Commission 2540 Shumard Oak Blvd Tallahassee, FL 32399

June 23, 2015

To Whom It May Concern:

Environment Florida, a non-profit, state-wide, citizen-funded environmental advocacy organization, hereby responds to the Florida Public Service Commission request for comments regarding the enhancement of solar deployment in Florida.

These comments have been derived from recent solar energy reports authored by Environment Florida and our national partner, Environment America.

The full reports can be viewed at <u>www.EnvironmentAmericaCenter.org</u> or by contacting Bret Fanshaw, <u>bfanshaw@environmentamerica.org</u>.

+++

The benefits of increased solar energy capacity in Florida are clear: reduced greenhouse gas emissions, lower monthly electricity bills, and cleaner air, to name just a few. It is also clear that pro-solar policies, such as net metering, are critical to the success of solar energy.

Most analyses – especially those that consider the full range of benefits that solar energy delivers to the grid and to society – find that the value to all customers created by installing solar panels on a home or business generally exceeds the private benefits received through net metering by customers who invest in solar.

Eliminating or constraining programs that compensate solar homeowners, therefore, would discourage the spread of a key clean energy technology. It would also reduce fairness by failing to compensate Floridians who "go solar" for the ample benefits they provide for the rest of society.

Net metering is a critical tool to ensure fair compensation for owners of solar energy systems and to continue to fuel the growth of solar energy. We urge you to support and strengthen net metering as sound public policy to stimulate private investment and job growth, and to encourage utilities to diversify and strengthen the grid.

Specifically:

- States should lift arbitrary caps that limit availability of net metering in fast-growing solar markets.
- Any evaluation of the benefits and costs of net metering should ensure that a full range of benefits is considered, including environmental and societal benefits.
- This isn't just good policy for solar energy—utility decision-making should fully account for the costs and benefits of all resource options.
- State and local governments should consider the simplicity of net metering when evaluating programs that compensate customers for the solar they provide to the grid.
- State and local governments should reject alternatives to net metering that do not provide residential and business customers full and fair compensation for the value they provide to the grid and society.
- State and local governments should ensure that all people can take advantage of net metering policies, even those who do not live in single family homes, by implementing virtual net metering programs.

Governments should adopt other policies to encourage the growth of solar energy, such as:

- Setting aggressive goals for solar energy adoption, and implement policies that will encourage homeowners and businesses to meet them.
- Removing other financial and regulatory hurdles to solar energy that slow down installation and discourage homes and businesses from investing in solar energy systems.

State governments should set ambitious targets for the growth of solar energy that guide public decision-making. For many states, including Florida, a goal of getting 10 percent of their energy from the sun by 2030 – both through solar electricity technologies such as photovoltaic systems and through solar thermal technologies such as solar water heating – would set an ambitious standard and make a major difference in reducing the state's dependence on fossil fuels well into the future.

To help achieve that vision, states should adopt renewable electricity standards with solar carve-outs that require a significant and growing share of that state's electricity to come from the sun. States should also adopt strong statewide interconnection and net metering policies, along with community solar policies and virtual net metering, to ensure that individuals and businesses are able to sell their excess power back to the electric grid and receive a fair price when they do. In states without strong net metering programs, CLEAN contracts (also known as feed-in tariffs) and value-of-solar payments can play an important role in ensuring that consumers receive a fair price for solar energy, so long as the payments fully account for the benefits of solar energy and are sufficient to spur participation in the market.

As the nation's primary regulators of electric utilities, state governments have a critical role to play in ensuring that interconnection rules and net metering policies are clear and fair and that utilities are considering renewable energy technologies such as solar power in their PPA options for generators as well as their own resource investment decisions. In addition, as solar power comes to supply an increasing share of the nation's energy supply, state governments will need to be at the forefront of designing policies that transition the nation from a power grid reliant on large, centralized power plants to a "smart" grid where electricity is produced at thousands of locations and shared across an increasingly nimble and sophisticated infrastructure. In order to begin planning for that future, states should develop policies that support the expansion of energy storage technologies and micro grids.