

PROTECTING CONNECTICUT SOLAR JOBS

2019 ACTION PLAN

Pause

- Pause PURA's implementation of Section 7 of 2018's SB 9 (Public Act 18-50)

Maintain

- Keep current system that compensates consumers for solar sent to the grid (Net Metering)
- Continue the Green Bank's Residential Solar Program (RSIP) for two years (100 MW)
- Extend commercial Low/Zero Emission program (LREC/ZREC) for two years
- Lift caps on virtual net metering and shared solar to expand access to low-income customers

Evaluate

- Conduct an independent study on 1) the value of solar to determine the benefits and costs of net metering and 2) the best policies & programs other states have pursued to reform net metering
- Use the study results and data to inform the next Comprehensive Energy Strategy (CES)

Act

- Launch revised solar programs in 2021 that promote the sustained, orderly development of an in-state solar industry (to retain 2,000+ jobs)

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SB 9 Flaws & Fixes

Summary

SB 9 will eliminate net metering, the main policy behind solar development in Connecticut and the United States. Net metering provides a bill credit to solar energy producers who send their extra power to the electric grid. In the second half of 2019, SB 9 will replace net metering with two flawed policies that have killed solar jobs in other states, including Maine and Utah. In addition, SB 9 does not give PURA enough time to develop the new solar program. The regulatory process has been rushed and will produce unintended consequences.

SB 9 Flaws

- **SB 9 will put 2,200 solar jobs at risk by unintentionally ending net metering early.** Due to a drafting error in SB 9, net metering will end in mid-2019, when the Green Bank's Residential Solar Investment Program (RSIP) reaches its 300 MW goal. This is several years before the legislature intended to end net metering (at the end of 2022) and has given PURA only several months (not several years) to complete a proceeding to develop a new solar program.
- **SB 9's solar program will harm growth and kill jobs.** The SB 9 tariff program that will replace net metering is overly complicated, expensive, and could reduce customer savings by 50%. Solar installations in Utah decreased 70% when it implemented "instantaneous netting." Maine tried "buy-all, sell-all" but found it was too expensive, and is now reinstating net metering. When Nevada ended net metering in 2015, it killed thousands of jobs and prompted the state legislature to reinstate net metering in 2017.
- **The SB 9 regulatory process is flawed and rushed.** SB 9 restricts the net metering replacement programs PURA can select, but Eversource and United Illuminating cannot implement these programs on time (Eversource will require up to two years). Additionally, a drafting error in SB 9 has given PURA only several months to complete the proceeding, while other states have taken 2-3 years.
- **The amount of solar in CT does not warrant the end of net metering.** Solar provides only 1-2% of Connecticut's total electricity. To pass SB 9, solar opponents cited an unfounded "cost shift," arguing solar customers shift grid costs to non-solar customers. This is not true. A U.S. Department of Energy study found that cost shifts are "imperceptible" in areas with less than 10% solar,¹ and the Brookings Institution found net metering is a net benefit to ratepayers.²

SB 9 Fixes

- **Commercial Solar: Continue the LREC/ZREC program for two years.** SB 9 replaces the LREC/ZREC program with a new procurement plan and puts arbitrary caps on commercial solar investment that will restrict development. Continuing the LREC/ZREC program and increasing the cap on shared solar projects will increase solar investment and its economic benefits and expand solar access to low-income customers.
- **Residential Solar: Maintain current programs.** Connecticut's solar policies have been successful and should be continued, including net metering and the Green Bank's Residential Solar Investment Program by adding 100 MW. These programs will maintain the success of Connecticut's solar industry until an independent study is completed to inform whether policy changes are warranted.

¹ <http://www.raponline.org/wp-content/uploads/2017/07/rap-lbnl-barbose-ncsl-jun-09-2017.pdf>

² <https://www.brookings.edu/research/rooftop-solar-net-metering-is-a-net-benefit/>