



SHARED SOLAR & CLEAN DISTRIBUTED GENERATION

WHAT IS IT?

Our aging energy system is in need of modernization. Clean distributed generation (DG), such as solar, fuel cells, and combined heat and power, is a way to reduce our dependence on fossil fuels, increase energy efficiency, and improve storm resiliency. Clean DG energy resources create renewable energy at or near the point of consumption, rather than in far-away power plants.

Clean DG has greatly improved in efficiency, providing consumers with low-emission, locally generated energy that avoids significant transmission and distribution losses and alleviates the burden on the grid, much like energy efficiency. While Connecticut consumers who have installed solar panels can sell their excess energy back to the grid for compensation through something called net metering, this is not possible with shared resources.

Shared solar, also known as community or virtual solar, is a clean DG program that allows customers who cannot install their own solar panels to purchase energy from a shared solar system. In Connecticut, approximately 80% of residents cannot install rooftop solar due to insufficient roof space, excessive shade, or use of a rental or leased property. Through shared solar programs, these consumers would be able to purchase energy credits from a solar system in a local field or neighbor's home. Thus, shared solar effectively increases Connecticut residents' access to the technology.

WHAT IS THE DEBATE?

Utility companies claim that users who have access to clean DG energy or shared solar programs avoid transmission fees and so pass on the cost of maintaining the grid to non-participating ratepayers; however, studies in Minnesota, North Carolina, and elsewhere have shown that shared DG actually provides a benefit to other ratepayers from reduced transmission and energy production requirements.

WHAT NEEDS TO BE DONE?

Determine the Value of Clean DG

The Department of Energy and Environmental Protection (DEEP) should be required to develop a methodology to figure out the value that clean DG provides to ratepayers, the grid, and society. Minnesota has developed a methodology that can be used as a model.

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Offer a Clean DG Tariff to Consumers

Consumers who have clean DG resources deserve compensation for energy they provide to the grid. Net metering works well but does not apply to all resources. The state should develop a value of clean DG tariff. Consumers and businesses with clean DG would choose to receive credit using either net metering or the tariff.

Authorize Shared Solar

Connecticut should authorize shared solar systems to operate in the state. Shared solar will make solar energy more widely available for residents, help Connecticut achieve its clean energy and climate goals, improve the grid's resiliency from severe storms, create more renewable energy jobs, and lower energy rates in the long term.

In 2015, the General Assembly is considering several relevant bills that allow for the use of shared clean distributed generation energy facilities and net metering of class I renewable energy sources.

bill numbers may change. For reference, see SB 928 & HB 6989

For more information
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