CHESAPEAKE CLIMATE ACTION NETWORK

Support Solar Energy in Virginia

Raise the Net-Metering Project Cap for Non-Residential Customers

Clean, renewable forms of energy are experiencing unprecedented growth in the U.S. and solar is leading the way. Despite being a prime state for solar investments, Virginia has yet to tap its full solar potential and currently ranks 34th in the nation in solar jobs per capita.[i] By embracing simple, common-sense changes to existing law, Virginia can reduce its carbon footprint while closing the investment gap for clean energy. **One easy fix is to raise the net-metering project cap for non-residential customers from the existing 500 kilowatt (kW) limit to a more competitive 2 megawatt (MW) limit.**

Solar is more competitive than ever

- Last year, the amount of solar installed nationwide increased 41% over 2012 levels—nearly fifteen times the amount installed in 2008.[ii]
- Solar installations are increasing because prices are dropping fast, making solar energy more competitive than ever.
- Solar system prices dropped by as much as 19% nationwide in 2013 alone, and are expected to fall up to an additional 12% in 2014 when final figures are calculated.[iii]

Industry experts are expecting the price of solar to continue its decline this decade. As the Commonwealth prepares to reduce its emissions of heat-trapping pollution, solar power is a win-win solution. Virginia can power more homes and businesses with this climate-friendly source of renewable energy while taking advantage of solar energy's numerous economic benefits.

Virginia needs to play catch-up to neighboring states

Neighboring states have moved aggressively towards the development of solar energy in recent years, seeing significant economic growth along with reductions in harmful climate pollution. Both North Carolina and Maryland have mandatory Renewable Portfolio Standard (RPS) laws with carve-outs for solar in addition to generous state-wide financial incentives. Virginia has neither policies in place and also has a much stricter cap that limits the size of non-residential solar projects. As a result, solar installations in Virginia trail our neighbors.

Virginia vs. Competitors – Solar installations in 2013

- Maryland installed 29 MW of solar capacity, bringing its total installed capacity to 161 MW, ranking 14th in the nation. [iv]
- North Carolina installed 335 MW of solar capacity, bringing its total installed capacity to 627 MW, ranking 4th in the nation.[v]
- Virginia installed 6 MW of solar capacity and has less than 10 MW total, ranking in the bottom half among states nationwide.[vi]

It's time to raise the cap in Virginia

While large-scale energy reform may be needed in order to realize solar energy's full potential, subtle changes to existing law will enable Virginia to be more competitive and bring good-paying jobs to the Commonwealth. This past summer, Dominion Virginia Power announced plans to build the largest rooftop solar project in the state, a $2.5 million project with a capacity of 800 kW.[vii] **Businesses should have the same freedom and flexibility as utilities to build larger solar projects.** The 500 kW project cap for non-residential customers limits opportunities for third parties to invest in solar, offset their carbon footprint, and provide much-needed job opportunities for industries and workers.

The project cap for commercial solar installations was originally set at 500 kW by the General Assembly back in 2009, as part of Virginia's first set of net-metering regulations. Since 2009, solar has seen unprecedented growth nationwide, but Virginia's cap has remained unchanged. The installation of much larger solar systems across the country—and Dominion's own proposal to build the 800 kW project in Virginia—shows that industrial net-metering projects can generate reliable solar energy. It's time to raise the cap on solar and allow the expansion of clean, renewable power in the Commonwealth.

Solar is good for Virginians

- ***Generates opportunities to respond to the Clean Power Plan*** by increasing zero-emission energy sources and meeting our climate goals.
- ***Provides Virginians freedom of choice*** in how to power their homes and businesses.
- ***Provides utility and grid benefits,*** including avoided generation costs, line losses, peak demand costs, grid expansion costs, and more.

Solar enhances business opportunities

- ***Incentivizes new investments in Virginia,*** making the Commonwealth more competitive by attracting new industries.
- ***Supports local job growth*** by attracting new, larger project investment opportunities across the state.

2013 Solar investments

- **North Carolina:** $787 million
- **Maryland:** $113 million
- **Virginia:** $21 million

Virginia's vast and untapped renewable energy potential is well-documented. We can catch up to our neighbors in solar energy development, but only if we put the policies in place to harness it. Solar represents one of the fastest growing industries in the U.S. Unfortunately, Virginia law limits the flexibility and opportunity for numerous municipalities and businesses to fulfill their energy needs by self-generating their energy load with an abundant amount of clean solar energy.

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i. http://thesolarfoundation.org/solarstates/virginia
ii. http://www.greentechmedia.com/articles/read/u.s.-solar-market-grows-41-has-record-year-in-2013
iii. http://www.nrel.gov/news/press/2014/15405.html
iv. http://www.seia.org/state-solar-policy/maryland
v. http://www.seia.org/state-solar-policy/north-carolina
vi. http://www.seia.org/state-solar-policy/virginia-solar
vii. http://www.timesdispatch.com/business/energy/dominion-virginia-power-to-build-the-state-s-largest-rooftop/article_50080a07-7dea-55ce-92c3-681b6f185d3b.html

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For more information contact: Dawone Robinson, Virginia Policy Director at dawone@chesapeakeclimate.org, or 804.767.8983.

Learn more at www.chesapeakeclimate.org/virginia/solar/