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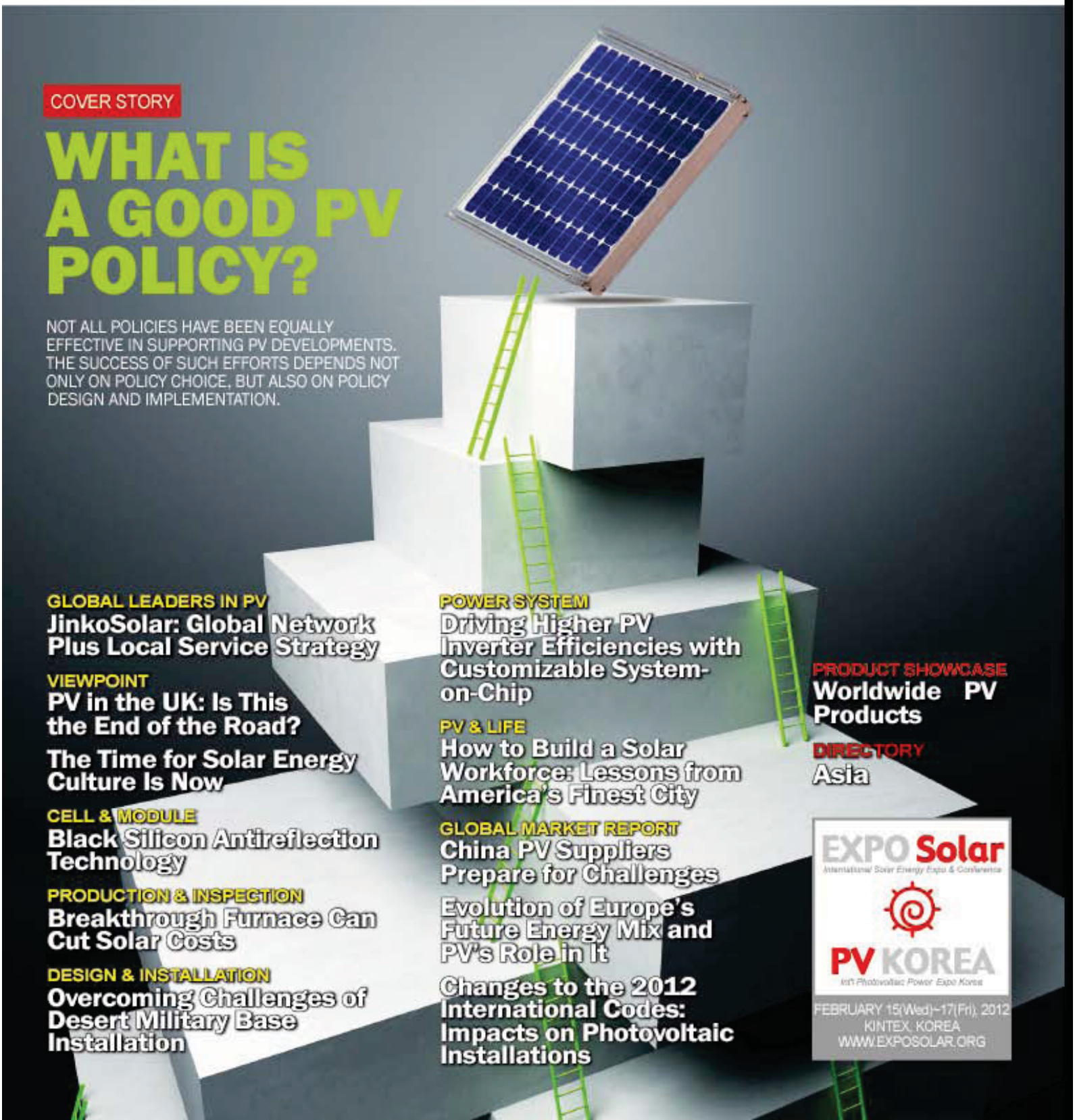

COVER STORY

WHAT IS A GOOD PV POLICY?

NOT ALL POLICIES HAVE BEEN EQUALLY EFFECTIVE IN SUPPORTING PV DEVELOPMENTS. THE SUCCESS OF SUCH EFFORTS DEPENDS NOT ONLY ON POLICY CHOICE, BUT ALSO ON POLICY DESIGN AND IMPLEMENTATION.

First-in-Nation Solar Registration Offers Model for Expansion

Eleven days from solar application to install.
Seems like a dream for solar installers? Well, it's not.

BY ANDREW SAVAGE

Andrew Savage

A residential AllSun Trackers powering a home in Waterbury, Vermont, the U.S.A.

Vermont has recently implemented a first-in-the-nation registration process for small solar systems. The program is providing a national model for reducing costly or time-consuming local solar permitting.

With the law small solar systems now have a simple pre-determined process that reduces paperwork and uncertainty and means they can be installed after just 10 days. The new process replaces all permitting for ground or roof-mounted solar systems 5kW and smaller with a single basic registration form outlining the system components, configuration, and compliance with interconnection requirements.

The local utility has 10 days to raise any interconnection issues, otherwise a permit, known as a Certificate of Public Good (CPG), is granted and the project may be installed.

"As a local installer, this new registration process is enormously helpful. This speeds up the installation process allowing us to avoid wasting time with costly delays for small installations," said Rich Nicol, of Solartech, an installer in northeastern Vermont.

A recent study earlier this year by SunRun, a leading national provider of residential solar systems, found that permitting adds an average cost of $2,500 to each solar installation and that streamlining the often-cumbersome processes would provide a $1 billion no-cost stimulus to the solar industry over the next five years.

The report finds that the additional installation cost— $.50 per watt— is due to wide permitting variations not connected to safety, excessive fees, and an unnecessarily slow process. The report cites that Germany has a 40 percent advantage over the United States in installation price.

Vermont's new registration process, which is free, went into effect at the end of November 2011.

Prior to the new law, before beginning a project, a solar applicant would need to receive a CPG from the state's Public Service Board, a quasi-judicial agency that regulates electric power companies and energy developments. This process is retained for larger solar installations. When determining whether to grant the CPG for a proposed project, the Board considers whether the project meets statutory criteria, including site-specific environmental criteria, and general issues such as need, reliability, and economic benefit. After the application is filed, there is a 30 day comment period and contested projects are resolved through a public process, beginning with a public hearing.

The legislation, which became Act 47 and was signed into law May 25, 2011, received strong bipartisan support.

While Vermont already had an efficient, no fee statewide permitting process, unlike most states, the solar industry both in and out of state is taking notice.

"It should be a national priority to cut unnecessary red tape and costly permitting for small renewables. Cutting out unnecessary costs will help us both meet our urgent energy needs and make domestic solar more competitive," said David Blittersdorf, president and CEO of AllEarth Renewables, the Vermont manufacturer of the AllSun Tracker. "We've had the Department of Energy, U.S. Senate offices, state governments, and local installers all calling to ask about how we took this simple, common sense step."

"Solar registration is an innovative way to address the high costs and long timeframes that are often associated with installing small-scale renewable energy systems," said Mark Sinclair, executive director of the national Clean Energy States Alliance.

Many in the industry believe cutting out unnecessary "soft costs" of solar installation is the key to future cost-competitiveness.

The U.S. Department of Energy recently launched the "SunShot Initiative," which aims to decrease the total costs of solar energy systems by 75 percent before the end of the decade. The DOE believes reaching this goal will make solar energy cost-competitive with conventional forms of electricity without incentives, enabling widespread solar deployment across the United States. With residential PV still the majority of deployed solar in the United States, cutting installation costs will be critical to meeting SunShot goal's.

"We think the Vermont registration process could be a real model to follow nationally," said Jurgen Krehnke, president and general manager of SMA America. "Reducing the time and resources that go into solar installations is right in line with the DOE's SunShot initiative and is critical to increasing PV adoption."

Colorado earlier this year also made solar industry headlines after the quick and bipartisan passage of the "Fair Permit Act," which prevents state and local government agencies from charging excessive permit and plan review fees to customers installing solar electric or solar thermal systems. The new Colorado law will limit solar permitting and fees to actual issuing costs, not to exceed $500 for residential projects or $1,000 for commercial.

Andrew Savage serves on the management team of AllEarth Renewables (www.allearthrenewables.com), Vermont manufacturer of the AllSun Tracker.