

Growing a Distributed Generation (DG) Solar Industry in Nevada



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EXHIBIT C - ENERGY
Document consists of 10 pages.
Entire exhibit provided.
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Developing a DG Solar Market in Nevada

2009 Legislative Session

- **Original Goal:** Build a small-scale solar market in Nevada. Add “distributed generation” solar requirement to the state’s renewable energy goal. Bring online ~160- 185 megawatts (MW) of solar by 2025.
 - **0.5% of total retail sales by 2025.**
- **Arguments in opposition to the goal**
 - Too expensive for rate payers
 - Not enough demand in the state



Outcome of 2009 Legislative Session

SB 358

- RPS increased to 25% by 2025, solar carve-out bumped to 6%.
- Administrative changes to the SolarGenerations program.
 - 9% increase in capacity each year
 - \$78.26M cap 2010-2013, \$255.27M cap over 10 years (*ceiling, but is it a budget?*)
 - Roughly 25 MWs of solar rebates set aside for small-scale solar.
- Authorization of PACE finance programs.

AB 186

- Enabling 3rd party ownership of systems.

SolarGenerations Rebate Program

(24.52 MW + unused previous capacity)

RenewableGenerations Steps for New Applicants Solar

	Residential and Small Business		Schools		Public and Other Property		Total Capacity
Step Program Year	kW Capacity	Rebate Per Watt	kW Capacity	Rebate Per Watt	kW Capacity	Rebate Per Watt	kW
Step 1 2010/11	1090*	\$2.30	2180*	\$5.00	828*	\$5.00	4098*
Step 2 2011/12	1188	\$2.10	2376	\$4.90	903	\$4.90	4467
Step 3 2012/13	1295	\$1.90	2590	\$4.80	984	\$4.80	4869
Step 4 2013/14	1412	\$1.70	2823	\$4.70	1073	\$4.70	5308
Step 5 2014/15	1539	\$1.50	3077	\$4.60	1169	\$4.60	5786

*Plus the kW from withdrawn applications since January 27, 2010

❖ To put this win in perspective, the Solar Generations program started in 2004, and to date only 3.66 MW have been rebated.

Is there enough demand for DG Solar in Nevada?

PROGRAM UPDATE from NV Energy (April 26, 2010)

“NV Energy began accepting applications for the 2010/11 program year at noon on April 21, 2010 with approximately **13.4 MW** of capacity available.

The program received the largest response in its history and successfully accepted over 1100 applications, representing ***35.8MW within the first 6 hours of opening....***”

C L O S E D

The SolarGenerations program is closed and NV Energy is no longer accepting applications.

Is there enough demand for DG Solar in Nevada?

May 21st – NV Energy submits waiver to PUCN requesting that 23.032MW worth of rebates be released.

- \$5.00 for schools and public buildings, and \$2.80 for residential.
- If this waiver is granted, it could potentially use up almost all of the SG capacity, leaving 1.49MW of unused capacity.
- Release the \$78.2M authorized under SB 358 all at once and then pay out the remaining rebates after 2013.

Comparative DG Solar Markets

<i>State</i>	California	Arizona	Colorado	New Mexico	Nevada
DG Goal	"Million Solar Roofs" by 2017	4.5% DG by 2020	3% DG by 2020 (50% retail/50% wholesale)	0.6% DG solar by 2020	Solar Generations Program
Megawatt Goal (MW)	1750 MW of rebates in the CSI	~2000 MW	~700 MW	~50 MW	~24 MW
Electricity Customers (EIA Data, 2006)	14,520,869	2,730,370	2,389,534	951,497	1,168,760

Distributed Generation Solar Goal

Legislative Options

Increase downward pressure on residential solar system prices, and expand access to solar rebates for more home owners.

- Remove “program year” from the statute (NRS 701B.490) to allow for market-based step-down program.
- Clarify budget for the program.

Build robust commercial solar market, attract more industry to the state.

- Establish incentive stream for solar systems over 100kW
 1. DG Solar Goal – meet with a performance based incentive or FIT.

Distributed Generation Solar Goal

Legislative Options

Expand net-metering

- Increase the 1% of peak sales net metering cap in NRS 704.773 to match DG goal, and remove the 1MW system size limit in NRS 704.771. 1% is equivalent to about 75 MW.

Expand finance options for solar and energy efficiency improvements to residential and commercial properties.

- Amend property assessed clean energy (PACE) finance enabling legislation (SB 358).



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