

## Contracting with Third-Party Solar Energy Providers

### Talking Points

**Wisconsin must adopt a policy expressly allowing customers to enter into contracts with third parties to install and own a renewable energy system at the customer's premises.**

- Current ambiguities in public utility law interfere with customers' ability to access clean energy produced on their premises. This policy affirms their right to decide how they wish to purchase or implement a renewable energy system for their site.
- Because the third-party owner provides the up-front capital under this arrangement, this policy will greatly expand the number of energy users who can afford to host wind, solar or biogas systems serving their homes or businesses. Thus, third-party ownership models leverage customer-supplied capital more effectively than other incentive-based approaches.
- In contrast to standard utility electric service, purchasing energy directly from a renewable energy system enables households and businesses to lock in predetermined prices for 10 years or longer.
- In contrast to renewable energy purchased from utilities through their green power programs, the price of energy from a third-party owned renewable energy system does not increase or decrease as a result due of short-term fluctuations in the cost of conventional energy.
- This policy will enable nonprofit entities to team up with for-profit companies that can take full advantage of federal tax incentives, such as the 30% Investment Tax Credit and accelerated depreciation.
- Energy from a third-party owned system either flows to the customer directly, offsetting consumption, or is sold to the utility under an approved tariff. The rate impact from these installations would be negligible.
- This policy would help households and businesses overcome the diminishing supply of renewable energy incentive dollars available from Wisconsin's Focus on Energy program and utilities at no extra cost to ratepayers and taxpayers.
- This policy will greatly expand market opportunities for Wisconsin companies and their employees who are part of the state's renewable energy supply chain. There are an estimated 135 companies in Wisconsin participating in the solar market, including Helios, Ingeteam, and Caleffi, three Milwaukee-based manufacturers.