

Grow Solar Wisconsin Summary Report

***Supporting Positive Development
of Wisconsin's Solar Electric Program***

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Abbreviations

- B/C** – Benefit Cost Ratio
- GSW** – Grow Solar Wisconsin
- kW** – Kilowatt
- PSC** – Public Service Commission of Wisconsin
- WPS** – Wisconsin Public Service

Supporting Positive Development of Wisconsin's Solar Electric Program Statement of Project Objectives

The GSW Team had the following objectives
for Focus on Energy Solar Electric Program support activities

Task 2.4 - Participate in Public Service Commission of Wisconsin discussions regarding the future of the Focus on Energy Solar Electric Program

The Team will provide information and insights to the Public Service Commission of Wisconsin as they determine the future of the Focus on Energy Solar Electric program.

Note, that the GSW Team began the efforts interacting with the PSC, but once the Focus on Energy docket was closed, it made more sense to interact with the PSC's program manager of the Focus on Energy program Shaw Environmental (Shaw).

Introduction

During the second quarter of 2011, dramatic changes began taking place in Wisconsin's solar market. The Scope of the Focus On Energy Solar (Wisconsin's public benefits program for residential and business energy efficiency and renewable energy) electric program was sharply reduced. Financial Incentives were limited to residential systems of less than 6 kW, solar education programs were eliminated and market development/support activities largely ceased. Then on January 1, 2012, all solar electric program incentives were halted.

The Public Service Commission of Wisconsin (PSC), who oversees the Focus on Energy program, wanted to complete a thorough re-evaluation of the Focus on Energy renewable energy programs before reinstating program incentives and services. This evaluation focused on the determination of the cost benefit ratios of the different renewable energy technologies. Members of the GSW Team had formerly managed and directed the Focus on Energy Renewable and Solar Electric programs. Thus with the support of solar installers, they engaged first with the PSC and then with the solar program's administrator to help direct the development of Focus on Energy's solar electric program.

Summary of Interactions with the PSC

The PSC used an open docket to assess the future of the Focus on Energy renewable technologies including the solar electric program. An order ([Appendix 1](#)) from the docket stated how the different renewable technologies would be assessed.

The GSW team was told by PSC staff that they would take seriously any comments submitted to them and forward them on to the firm doing the analysis. The GSW team scored solar electric projects based on the metrics presented in the order ([Appendix 2](#)) and submitted them to the PSC on January 30, 2012. The team also encouraged other solar market leaders to submit their comments and assessments.

There is no evidence that comments were used. When the assessment of the renewable technologies was released ([Appendix 3](#)) in April 2012, it focused on the each technology's benefit cost ratio (B/C) not the matrix of criteria as were outlined in Attachment A of the Order. The analysis used to assess the B/C was not explained and the results appeared questionable. Unfortunately the PSC based their decisions on the solar electric program's future on this analysis without vetting the results. The PSC's B/C analysis found solar electric systems to have a B/C of less than 1. Based on the poor B/C of solar electric, solar thermal and wind, the PSC decided to limit these technologies to 25% of the entire renewable energy incentive pool. This percentage was approximately opposite of how the program had been allocating incentives previously.

In January 2012 GSW member, RENEW Wisconsin (RENEW), began encouraging the PSC to roll out the new program, first by contacting the PSC ([Appendix 4](#)) and then on April 2nd using a news release ([Appendix 5](#)). RENEW initially provided the PSC with a petition signed by over 150 companies and individuals to reinstate the renewable incentives. RENEW then organized a write in campaign to the PSC that resulted in over 200 comments urging reinstatement of incentives.

RENEW held a webinar with the renewable supply chain to receive input on the program. These suggestions were transferred to the Focus administrator before the new program was announced.

The new Focus on Energy solar electric programs were rolled out on July 1, 2012. But they were very problematic and many installers were upset. Residential incentives were capped at \$1,200 per system, efficiency measures were a mandated prerequisite to an incentive, and the incentive rate was cut in half from previous levels (\$1.2 per watt to \$0.60 per watt). Non-residential incentives were awarded via a one-time RFP. The RFP limited solar applications to ~20 kW and above. At this time the GSW Team, lead by RENEW Wisconsin, focused their efforts on working with the program administrator, Shaw, to improve the solar electric program offerings.

Summary of Interactions with the Program Administrator

It took months to get the attention of the solar program's administrator given that they were busy ramping up many energy efficiency and renewable energy programs. But once they had time they were interested in the GSW support.

The GSW Team began by surveying the installers regarding their issues with the new program. A meeting was held with interested installers to coordinate the response to Shaw, and then the GSW, RENEW and installer group met with Shaw on December 5 2012.

Shaw responded positively to many of the recommended changes. However, many changes wanted by the installers and GSW could not be made due to limitations placed on Shaw by their contract and PSC Orders. A summary of the meeting is presented in [Appendix 6](#).

As a result of the GSW interactions, significant changes were made to improve the Focus on Energy Solar Electric program. For example:

- The incentive cap on residential system was increased by 100%
- The need to have permit in place before applying for residential incentive was dropped
- The maximum allowed installation period was lengthened for residential systems
- A greater diversity of commercial system sizes was permitted
- The number of RFP's for non-residential systems to be issued during the year was increased

However, there are still many areas in the Focus program that are hindering the solar industry. These include: not including labor as an eligible cost, not defining how incentives are calculated for non-residential systems, and making small non-residential systems go through a lengthy and complex RFP process.

The GSW Team now has improved relations with the Focus Solar program administrator and will continue to support them to deliver a successful program. Future feedback meetings between the GSW team and the Focus administrator are already being scheduled.

Appendices

- **Appendix 1:** Quadrennial Planning Process, Renewable Resource Guidelines, docket 5-GF-191
<http://www.growsolar.org/wp-content/uploads/2013/09/A1-Order-5-GF-191.pdf>
- **Appendix 2:** Comments Submitted to the PSC Regarding the Renewable Resource Guidelines
<http://www.growsolar.org/wp-content/uploads/2013/09/A2-Comments-on-solar-electric-cost-effectiveness-evaluation.pdf>
- **Appendix 3:** PSC's Assessment of Renewable Technologies as per Docket 5-GF-191
<http://www.growsolar.org/wp-content/uploads/2013/09/A3-Focus-RE-evaluation.pdf>
- **Appendix 4:** Open Letter to PSC from RENEW Wisconsin, January 26, 2012
http://www.growsolar.org/wp-content/uploads/2013/09/A4-PSC_open_letter2.pdf
- **Appendix 5:** RENEW Wisconsin News Release, April 2, 2012
<http://www.renewwisconsin-blog.org/2012/04/frustration-floods-psc-over-suspension.html>
- **Appendix 6:** Summary of the meeting with Shaw, the Focus on Energy Renewable Energy Program Administrator, RENEW Wisconsin, GSW Team, and Renewable Energy Installation Firms
<http://www.growsolar.org/wp-content/uploads/2013/09/A6-RENEW-Suggestions-and-Discussion-of-Focus-on-Energy-Renewable-Energy-Program-in-2013.pdf>