
Pricing Solar Energy

REGULATORY CONSIDERATIONS

Northeast Sustainability Energy Association
Conference

Anne E. Hoskins

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Regulatory Considerations in Valuing and Pricing Solar Energy

Consumer Impact— rates and reliability

Grid Impact - benefits and costs

Externalities— environment; public good

States on Front-Lines for Distributed Energy Policy/Regulation

Electric rates

Siting/permitting

Grid interconnection

. . . impact financial viability of DE projects

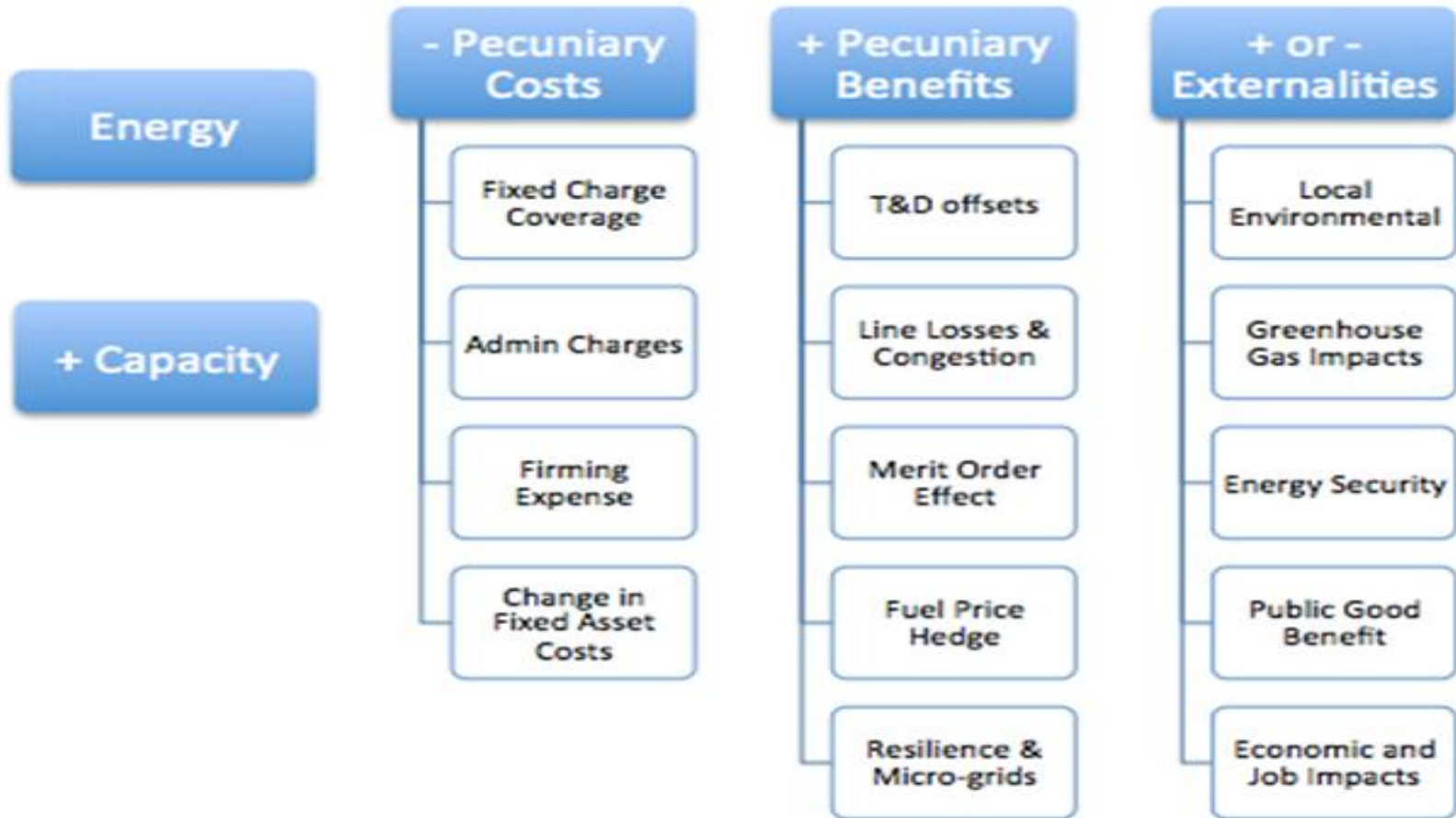
DE Rate/ Valuation Proceedings

- Net metering
- Fixed charges
- Separate the transaction– sale of solar energy/ purchase of use of the grid
 - Austin Energy “Value of Solar”

Net Metering in Maryland

- 1,500 MW limit
- Eligible Customer/Generator 2 MW limit; some aggregation allowed
- Demand and Stand-by Charges prohibited
- Paid based on Generation Value only
- Customer/Generator keeps RECs

Princeton Roundtable: Elements to DE Valuation



Conclusion

- Consumers want cleaner, more reliable energy → more distributed solar
- State regulators on front-lines: setting rules, incentives, valuation methods
- Accurate valuation of cost/ benefits needed to optimize DE