

BEST PRACTICE SOLAR POLICIES FOR RURAL ELECTRIC COOPERATIVES



 **SOLAR UNITED NEIGHBORS**



Best Practice Solar Policies for Rural Electric Cooperatives

Solar United Neighbors encourages rural electric cooperatives to adopt policies and programs that support their member-owners' access to affordable rooftop solar, community solar, battery storage, and other local clean energy technologies. These programs offer opportunities for electric co-ops to strengthen the commitment to serve their member-owners and to [the cooperative principles](#) including autonomy and independence, member economic participation, education and training, and concern for community, and their mission to serve their member-owners.

Goal #1: Encourage Customer-Owned Rooftop Solar

- **Maintain fair, transparent net-metering policies and compensate rooftop solar system owners at the full retail rate.**
- **Recognize the benefits that solar customers provide to all cooperative members.**
 - » Net-metered solar is a net benefit to all on the grid. As [Southern Maryland Electric Cooperative](#) explains about its support for customer generation: **the co-op “doesn’t lose money” on distribution costs when customers install their own solar because it “only pays for the amount of energy customers use. When customers produce their own energy and use less energy supplied by the grid, their distribution costs are reduced.”** In addition, rooftop solar provides power during peak hours when power is most expensive.
- **Provide incentives, rebates, and on-bill financing programs for solar and storage systems.**
 - » [San Miguel Power Association](#) in Colorado provides \$750 rebate for residential solar and \$2500 for business solar installations.
 - » [Florida Keys Electric Cooperative](#) offers on-bill financing for solar and efficiency project loans.

- » Mountain Parks Electric in Colorado launched an [Electrify Everything Program](#) in 2020 that provides 1-2% interest on-bill financing for solar and efficiency investments.
- » Participants in Ouachita Electric's [on-bill solar program](#) receive an average 20% monthly bill savings. **According to Mark Cayce, Ouachita's CEO, the co-op's solar and efficiency investments have reduced peak load costs by 30% over the last 4 years, and as a result they are proposing to reduce rates by 4.5%.**
- » Via its [Renewable Energy Assistance Program](#), the Pennsylvania Rural Electric Association offers member distribution co-ops grants to offset the cost of interconnecting solar and other alternative energy systems owned by member-owners. This program is funded by the sale of alternative energy credits generated by hydroelectric power plants owned by Allegheny Electric Cooperative, the generation and transmission cooperative serving rural Pennsylvania.

- **Remove arbitrary limitations and red tape to rooftop solar.**

- » Eliminate punitive solar residential and commercial demand charges.
- » Provide members with the tools and data access to manage demand charges.
- » Ensure fixed charges are fair and transparent (“show the math”).
- » End limits on the size of rooftop solar systems.
- » Establish timely and streamlined interconnection processes, including online accessibility (e.g. [Pedernales Electric Cooperative](#) in Texas). For more, see the [Interstate Renewable Energy Council's model interconnection procedures](#).



Goal #2: Broaden Solar Access through Community Solar

- Support and facilitate member-owners and private installers to develop their own community solar projects.
- Develop affordable, transparent, and consumer-friendly community solar programs administrated by the utility.
 - » Programs should be easy to subscribe to, provide tangible economic benefits, clearly explain savings to customers, and identify what the utility is charging to administrate the program.
 - » Lake Region Co-op in Minnesota offers a three-year, \$40 per month, on-bill payment option for a 410-watt share.
 - » [View a list of all electric co-op Community Solar programs from NRECA](#) and [learn more about criteria for good Community Solar from SUN](#).
- Utility-run community programs should serve low and middle income (LMI) customers.
 - » Set aside a “carve-out” portion of each project for LMI participants
 - » Develop and incentivize stand-alone LMI projects.
 - » Allow participation of multi-family unit residents, shelters, non-profits, etc. with explicit goal of savings to low-income tenants.
 - » Offer small shares of projects, such as [Trico Electric Cooperative’s program](#) in Arizona which offers a quarter-panel option.





- » Low income families can save on average \$350 a year at no cost to them through [Cherryland Electric Cooperative's community solar program](#).
- » In Colorado, [seven different co-ops have drawn on state energy office funding and worked with GRID Alternatives to build community solar projects](#) serving approximately 380 low-income households. [Grand Valley Power's](#) low income community solar program, for example, offers income-qualified members a four-year, no-cost subscription.

Goal #3: Integrate More Solar, Storage in Co-Op Energy Mix and Transition to Modern Grid



- Enter into long-term contracts to procure solar and storage.
 - » Northern Virginia Electric Cooperative (NOVEC) announced an [agreement to purchase approximately 300 MW](#) of electrical energy output from solar facilities.
 - » Texas's [CoServ Electric](#) procured more than 50 MW of utility-scale solar.
 - » In 2018, [Connexus Energy](#), launched Minnesota's first [large-scale solar-plus battery storage project](#).



» The Central Virginia Electric Cooperative, the City of Danville, and the City of Martinsville joined together to contract [20 MW of solar and 6 to 9 MW of storage](#).

» [United Power in Colorado](#) added a 4MW/16 MWh storage system to reduce the utility's peak energy use and save money on wholesale electricity costs.

» Central Iowa Power Cooperative (CIPCO) is [buying the output from a 100 MW solar farm](#), the largest solar facility in the state of Iowa.

» Tri-State Generation & Transmission co-op in Colorado, which supplies power to 42 electric co-ops in the West, [has plans for 715 MW of solar](#).

• **Renegotiate expensive fossil fuel contracts to purchase more solar and wind power.**

» Examples include [Delta-Montrose Electric](#) in Colorado and [Kit Carson](#) in New Mexico.

• **Set quantifiable solar goals and milestones and inform public of progress.**

» Kit Carson Electric Co-op in New Mexico is [building 4 MW of storage and 35 MW of solar to be 100% daytime solar powered in 2022](#).

» Delta-Montrose Electric is committed to [40% renewable energy including 10MW of local solar and the ability to develop up to 20% local energy resources](#).



- » Kauai Island Utility Cooperative is committed to [using solar, biomass, and hydropower to produce at least 70% of the island's electricity by 2030.](#)
- » Tri-State G&T will be [50% powered by renewable energy by 2024.](#)
- **Provide policies to incentivize Electric Vehicle (EV) adoption.**
 - » Provide EV rebates
 - » [Cherryland Electric Cooperative](#) offers a \$2,000 rebate on the purchase of EVs as well as a \$500-\$1000 rebate for EV chargers.
 - » Establish accessible charging station infrastructure.
 - » Provide time-of-use rates to incentivize affordable off-peak EV charging.
 - » Gunnison County Electric was the first Colorado electric co-op to own and operate public EV chargers and has an EV loaner for their members to try out along with a 35% rebate (up to \$250) on home EV chargers.
 - » Holy Cross Electric in Colorado offers a \$200 E-Bike rebate and [free EV chargers along with on-bill financing for the charger installation costs.](#)



