BEFORE THE PUBLIC SERVICE COMMISSION APROS 2021
OF THE STATE OF MISSISSIPPI

COMMISSION 2021-AD-19 SION VICE

IN RE:

ORDER ESTABLISHING DOCKET TO REVIEW THE EFFICACY AND FAIR-

NESS OF THE NET METERING AND INTERCONNECTION RULES

COMMENTS OF GULF STATES RENEWABLE ENERGY INDUSTRY ASSOCIATION ON COMMISSION'S ORDER SEEKING COMMENT

Have the Net Metering and Interconnection Rules been effective in creating mean-1. ingful access to renewable self-supply opportunities for Mississippi electric customers?

The current net metering rates do not provide meaningful value and access to renewables for Mississippi electric customers. This is evidenced by the lack of market growth in Mississippi in comparison to other states across the nation. The lack of utilization of the current low-income adder further demonstrates that current policy lacks the value needed to make such opportunities affordable. In 2020, the Solar Energy Industry Association (SEIA) ranks Mississippi 31st in solar state rankings. Given current policies, SEIA's 5 year ranking projection will be stagnate at 31st. The Solar Foundation 2019 Solar Jobs Census further assigns Mississippi an F grade for both Net Metering and Interconnection Policy.1

What, if any, modifications to the Net Metering and Interconnection Rules could 2. meaningfully increase customer access to renewable self-supply?

<sup>&</sup>lt;sup>1</sup> Solar Foundation "Solar Jobs Census 2019" https://www.solarstates.org/#state/mississippi/ counties/solar-jobs/2019

GSREIA recommends several changes to improve customer access to renewable selfsupply:

Net Metering Rates: Customers have a right to reduce their consumption of grid-supplied electricity with energy efficiency, demand response, storage, or clean distributed generation. Thus, a customer should always receive the <u>full retail price</u> value for behind the meter choices that reduce grid-supplied energy consumption, whether installing energy efficiency measures, or consuming on-site generation.

Rate design should seek to send clear price signals to customers that encourage sustainable, cost-effective investments in solar and complementary technologies. Since its PSC ruling locking in retail net metering, Arkansas has experienced over \$500 million in solar investment and improved from 43rd in the country to 25th in solar deployment. This exemplifies the substantial customer access impact of adequate, predictable and stable net metering rates. A 2017 Arkansas study of Benefits and Costs of Net Metering Solar DG on the EAI system concluded, "Modifications to (retail) net metering are not needed to recover the utility's full cost of service over time from net metering customers. Major rate design changes for residential DG customers, such as increased fixed charges, the use of demand charges, or two-channel billing to set different compensation rates for imported and exported power, are not needed."<sup>2</sup>

GSREIA recommends the following rate structure incentive adder's to net metering if the MPSC wishes to stimulate growth in specific sectors:

<sup>&</sup>lt;sup>2</sup> Crossborder Energy - Arkansas Study: <a href="https://drive.google.com/file/d/0BzTHARzy2TlNbHVi-TmRsM2VCQUU/view">https://drive.google.com/file/d/0BzTHARzy2TlNbHVi-TmRsM2VCQUU/view</a>

(Program to be block-capped at 1600 MW, Individual Project Cap of 5MW, 25% of total program capacity reserved for projects of 25KW or less, adder expires after 10 years.)

- Community shared solar project: \$0.04/kWh (initial adder value)
- Low-income property project: \$0.03/kWh (initial adder value)
- Low-income community shared solar project: \$0.05/kWh (initial adder value)
- Project co-located with energy storage: \$0.03/kWh (initial adder value)

Aggregate Net Metering: This common policy allows a solar owner with more than one electric meter on their property to credit their surplus solar electricity from one meter to another meter (any separate meter locations if the net-metering facility and the separate meter locations are under common ownership within a single electric utility's service area.). Aggregate net metering is most common on farms, and is commonly referred to as "Agricultural Net Metering." A farm may have multiple buildings (each with its own electric meter), of which only one roof is good for solar. Often times, that good-for-solar building may have very little electric demand (e.g. a barn). With aggregate net metering, the surplus electricity produced at that building's meter can be credited to one of the other buildings on-site that has higher demand (like a house). Tenant aggregation allows multiple occupants of a single building to share electricity or receive proportional credit from an on-site, shared installation. Fully embracing aggregate net metering policy would increase customer access to renewable self-supply.

<u>Virtual Net Metering:</u> Virtual net metering enhances the opportunities for Community

Solar development. Multiple utility customers (called 'subscribers') sign up to receive credit for the electrical output of a single solar project in their community. Community solar applications for virtual net metering allow 'subscribers' to receive bill credit for output or proportional share of an off-site solar installation. Today at least 20 states and the District of Columbia have some form of statewide community shared solar policy in place, although their policy structures and resulting market impact varies widely.

Community solar offers the benefit of solar to those who can't, or prefer not to, install solar panels on their homes. Approximately 75 percent of individuals across the country do not have access to solar energy solutions, whether because they don't have suitable roof space, don't own their home, or face certain financial barriers to going solar. These barriers are even more acute for low-income customers. Community solar programs, sometimes known as 'shared solar' or 'solar gardens,' can help address both the physical and financial barriers of going solar. These projects enable individuals, businesses, or organizations to purchase or subscribe to a "share" in a community solar project. If you join a community solar project, you receive a credit on your electric bill each month for the energy produced by your share.

Interconnection Rules: Ensuring that all interconnection applications can be processed online is a necessity. When looking at a sample of utilities that process applications online, 50 percent interconnect their customers in less than two weeks, compared with the utility average of 28 percent for that same time frame. Incorporating an online application process may help utilities alleviate some of the biggest challenges in the interconnection process.

## Online tools can:

- Restrict submissions to fully completed applications—prompting applicants when information is missing.
- Capture data once, and auto-fill forms, documents and other information to eliminate errors.
- Give customers online access to track the status of their application.
- Automate communications so that program administrators can easily keep customers informed.
- Store data in secure databases and make it accessible for analysis, reporting and operational integration.

One of the most needed improvements to interconnection rules is application status transparency. This could be alleviated through the utilization of an online portal for customers. One example of such a tool is "PowerClerk."

In addition to having interconnection information in an online location, an additional best practice includes an easily accessible designated point-of contact as a means for applicants to quickly obtain information about the interconnection process if the website does not answer their questions. Contact information for the designated point-of-contact should include the address, phone number, and email of the department or person responsible for Interconnection. This information should be easily found online and listed on all forms, guides, webpages and applications.

GSREIA recommends the mandate of interconnection checklists. The use of checklists and/or guides outlining a utility's interconnection process represents a best practice as they provide a simplified means to identify the steps and resources needed to successfully complete an application.

Utilities should track the processing time between when an application is submitted and a final decision is issued. By doing this, applicants can better standardize the utility's processes and plan their project installations more efficiently, thereby saving time and money. Best practices refer to utilities that track the process time between application submission and final decision. Model performers in this category process residential applications in an average of 3 days or less and commercial applications in five days or less. It is recommended that utilities communicate with applicants via email. By maintaining the communication process via email, it ensures that an applicant receives all notifications in a standardized manner and takes all necessary corrective action to complete the process in the case of issues.

3. What, if any, modifications to the Net Metering and Interconnection Rules would incentivize increased participation by both net metering customers and industry providers such as developers, designers, installers and maintenance providers for distributed generation facilities?

Net metering provides substantial economic benefits in terms of jobs, income and investment. Net metering increases demand for solar energy, which in turn creates jobs for the installers, electricians, and manufacturers who work in the solar supply chain.

Today, the solar industry employs more than 250,000 American workers in large part due to strong state net metering policies which have allowed the solar industry to thrive.

<u>Upfront Utility Rebates:</u> A utility rebate of at least \$0.50/W will improve participation by other parties. While such incentives do not provide the long term market predictability of retail net metering, rebates do serve to stimulate market participation from both installers and customers.

<u>Feed-In Tariff:</u> GSREIA strongly believes that 1 to 1 retail net metering is necessary to support the long term success net metering customers and industry providers in Mississippi. If the MPSC wishes to take more aggressive measures to stimulate the renewable energy market and job growth, we recommend a feed-in tariff. In order to meet renewable energy goals, federal, state and local governments have all provided financial incentives to boost the economic case to invest in renewable energy. These incentive policies are an opportunity for a government (or electric utility) to focus on a specific public policy goal, such as installing a greater capacity of solar energy or developing and deploying a local green-collar workforce.

One such policy mechanism is the feed-in tariff, which has long been a popular policy device throughout the world. Feed-in tariffs are designed to provide a fixed-price incentive to guarantee a certain level of benefit for each unit of electricity produced by your solar panels over a long-term contract, typically 10 to 20 years. Though not as popular of a policy mechanism in the United States, feed-in tariffs have long played a role in driving renewable energy growth throughout the rest of the world, specifically in Europe, where countries like Germany have effectively deployed feed-in tariffs to expand the renewable energy sector substantially.

The stability afforded by a long-term, fixed-price contract sends a clear signal to developers that installing a certain type of generating resources is a priority. Typically, the fi-

nancial incentives in a feed-in tariff are structured one of a few key ways. First and foremost, feed-in tariffs are designed to guarantee payment at above the cost of purchasing electricity from the grid. To do so, a feed-in tariff will likely compensate a renewable energy system either at a predetermined level representative of the value it provides to society or at the all-in cost of the system, levelized over the length of the contract and with a revenue margin built in.

The key difference between feed-in tariffs and other solar incentives, such as the ITC, is that feed-in tariffs are a production-based incentive. In other words, where a policy mechanism such as the ITC is based upon the amount of money you invest in your solar energy system, a feed-in tariff compensates you based upon how much electricity that system generates.

This is an important distinction for solar specifically for a few main reasons. First, as the cost of solar panels continues to decline, an investment-based incentive will possibly pay less of a benefit, as it now costs less to build a 6-kilowatt system than it did a year ago. Second, some of the most successful state-policies to deploy renewable energy have already employed production-based incentives. And third, the combination of a production-based incentive with an investment-based incentive can lead to exceedingly quick payback periods for investing in solar.

Interconnection Rules: The accessibility of information regarding the inspection process and the time necessary to conduct an inspection are important factors in reducing the soft costs of solar PV installations. By implementing the best practices in this category, an applicant will be able to access interconnection inspection information and schedule an inspection far more easily. Implementation of best practices should decrease associated soft costs by giving applicants the proper information necessary to complete in-

spection requests, and providing certainty to contractors regarding time frames for inspections. This will help save time for applicants and installers, thereby allowing them to more efficiently allocate resources. To achieve best practices in this category, utilities should provide inspection information through multiple options, respond to inspection requests quickly, and provide certainty to applicants regarding the scheduling of interconnection inspections.

Model performers provide inspection information online, email, in person, and by mail and either do not require a contractor's presence during inspection or provide a specific inspection time. Model performers conduct an inspection in two days or less after a request is made by the installer or customer, or when the local jurisdiction is received.

Several states have proposed or instituted expedited review processes for stand-alone, non-exporting storage systems because of the lower risk these systems pose to the grid. In some cases, these systems are allowed to forego interconnection reviews altogether. In New York, standby systems (i.e., systems isolated from the grid and used for backup power) are exempt from the standard interconnection requirements, and in Colorado interconnection agreements are not needed for these systems. Similarly, in Hawaii a technical review is not required for non-exporting systems, but they still must be registered with the utility. These methods allow the utility to reduce the number of interconnection requests it processes in a way that does not unduly increase risk on the network.

Another interconnection best practice would be to mandate utilities provide a free online map of its transmission and distribution network. Feeders are color categorized by their ability to take on additional DG resources. The map would include detailed information about each individual circuit. Before beginning a DG solar PV project, installers can check circuit capacity, projected peak load, existing and queued distributed energy on the circuit, and estimated caps on the circuit. The ability to assess available capacity before beginning projects is valuable to developers and customers, who can understand the likelihood that an interconnection study will be required before applying time and money to a project.

The International Renewable Energy Agency (IRENA) projects that with current growth, the renewable energy industry will be on track to create 42 million jobs by 2050.<sup>3</sup> Well crafted net metering policy will go a long way in ensuring that many of those jobs are in Mississippi.

4. What, if any, modifications to the Net Metering and Interconnection Rules should the Commission consider to increase low-income access to, and participation in, net metering?

As MS has some of the highest energy poverty in America, which rooftop solar could begin to address, delivering outstanding additional societal and economic benefits to families, communities and the state overall.

MS Power's fixed charge is around \$25, which is one of the highest in nation and for those ratepayers, strips away solar export value completely, making it extremely hard for solar customers to enjoy adequate return on investment. Taking that into account, an incentive in MS Power territory would be especially critical to overcoming the exceptionally high fixed access fee. Bringing that fixed fee down to a national average would also be essential adjustment to improve access.

<sup>&</sup>lt;sup>3</sup> IRENA "Renewable Energy Jobs Continue Growth to 11.5 Million Worldwide" <a href="https://www.ire-na.org/newsroom/pressreleases/2020/Sep/Renewable-Energy-Jobs-Continue-Growth-to-11-5-Million-Worldwide">https://www.ire-na.org/newsroom/pressreleases/2020/Sep/Renewable-Energy-Jobs-Continue-Growth-to-11-5-Million-Worldwide</a>

As referenced in our answer to question 2, incentive-based rate adder's allow low-income access to net metering. GSREIA recommends the following:

Rate Structure Incentive Adder Recommendations:

(Program to be block-capped at 1600 MW, Individual Project Cap of 5MW, 25% of total program capacity reserved for projects of 25KW or less, adder expires after 10 years.)

- Low-income property project: \$0.03/kWh (initial adder value)
- Low-income community shared solar project: \$0.05/kWh (initial adder value)

Also referenced in our answer to question 2, community solar (Virtual Net Metering) greatly advances opportunity for low incoming access to net metering.

(Please refer back to excerpt from question 2 answer related to virtual net metering.)

5. What, if any, modifications to the Net Metering and Interconnection Rules should the Commission consider to better enable commercial and industrial enterprises to self-supply?

GSREIA recommends that the MPSC allow for solar third party power purchase agreements (PPA) to better enable commercial and industrial enterprises to self-supply along with raising existing project caps to 2 MW. A solar power purchase agreement is a financial agreement where a developer arranges for the design, permitting, financing and installation of a solar energy system on a customer's property at little to no cost. The

developer sells the power generated to the host customer at a fixed rate that is typically lower than the local utility's retail rate. This lower electricity price serves to offset the customer's purchase of electricity from the grid while the developer receives the income from these sales of electricity as well as any tax credits and other incentives generated from the system.

Third Party PPAs typically range from 10 to 25 years and the developer remains responsible for the operation and maintenance of the system for the duration of the agreement. At the end of the PPA contract term, a customer may be able to extend the PPA, have the developer remove the system or choose to buy the solar energy system from the developer.

Benefits of Third Party PPAs to Solar Customers:

- No or low upfront capital costs: The developer handles the upfront costs of sizing, procuring and installing the solar PV system. Without any upfront investment, the host customer is able to adopt solar and begin saving money as soon as the system becomes operational.
- Reduced energy costs: Solar PPAs provide a fixed, predictable cost of electricity for the duration of the agreement and are structured in one of two ways. Under the fixed escalator plan, the price the customer pays rises at a predetermined rate, typically between 2% 5%. This is often lower than projected utility price increases. The fixed price plan, on the other hand, maintains a constant price throughout the term of the PPA saving the customer more as utility prices rise over time.
- Limited risk: The developer is responsible for system performance and operating risk.

- Better leverage of available tax credits: Developers are typically better positioned to utilize available tax credits to reduce system costs. For example, municipal hosts and other public entities with no taxable income would not otherwise be able to take advantage of the Section 48 Investment Tax Credit.
- Potential increase in property value: A solar PV system has been shown to increase property values. The long term nature of these agreements allows PPAs to be transferred with the property and thus provides customers a means to invest in their property at little or no cost.
- 6. What, if any, modifications should be made to the annual reporting requirements of the current Net Metering Rule?

Annual reports would be improved by requiring them to identify the total number of customers eligible and/or receiving any Low Income Benefits Adder. Such information would allow the MPSC and stakeholders to track to progress of such an incentive and any adjustments needed to ensure its viability and uptake.

7. Should the Commission modify or remove the existing cap(s) on total installed net metering capacity?

GSREIA recommends the removal on the existing cap on total net metering capacity.

The arbitrary cap on solar energy in Mississippi could severely damage the state's free-market energy economy in the future. In order to promote expansion and utilization of net metering, customers and businesses must have certainty and stability in the market.

8. Should the Commission modify the timing or manner in which net metering customers are credited or compensated for excess energy exported to the grid?

GSREIA recommends customers receive a monthly net metering statement with an annual true-up statement. The monthly net metering statement should show the excess power your solar system sends to the grid and the "net" consumption, the total power your home pulls from the grid. These credits and charges are carried forward every month for 12 billing cycles. The final amount is reconciled on your annual True-Up Statement, which occurs on the anniversary of your system's interconnection to your utility. Your True-Up Statement reconciles all the cumulative energy charges, credits and any compensation for the 12-month period starting on the date your system received a Permission to Operate from your utility. If you have a balance due after all charges and credits are reconciled, that amount will appear on the last bill of your 12-month billing cycle. Any remaining credits will be reset to zero before beginning your new 12-month billing cycle.

9. What measures or mechanisms could most equitably reduce the upfront cost burdens faced by customers interested in self-supply through net metering?

Property Assessed Clean Energy financing, or PACE financing, is private capital available to building projects at a low cost using utility, water, or operations energy efficiencies. PACE is a program legislated at the state and then municipal level that allows private investments to fund energy loans for improvements to buildings through a tax assessment lasting 20 to 25 years.

Property Assessed Clean Energy (PACE) uniquely breaks down long standing barriers to

energy efficiency in the private sector marketplace. PACE legislation allows building improvements that result in utility savings to be funded by private capital and repaid via a long-term tax assessment. Tax assessments for the public good have been used for over 200 years to fund such things as firehouses, sidewalks, and sewers. In the last few years, over 30 states have placed PACE legislation with 16 & DC having active programs that allow PACE funded building improvements. PACE assessments by definition have quantifiable savings and the result is increased building value, lower operating expenses and a better building for tenants which makes it a better asset for both building owners and mortgage lenders.

PACE is nontraditional and is considered an addition to, not a replacement of, traditional capital loans. Banks are often reluctant to provide financing for capex needs, requiring the owner to go into their own pocket. PACE Equity terms can go up to 20-25 years where most bank loans are limited to 3-5 year terms.

PACE improvements have an attractive ROI that result in immediate positive cash flow to the building. With no cost out of pocket for doing renovations & addressing capex needs, this can increase your building's value while adding higher cash flow to your pocket. PACE primarily serves property owners but can produce energy savings of tenants if their landlords participate.

Building owners can take a long term view as the PACE assessment can be transferable upon sale of the property. Building owners get 100% financing of the improvements with no up-front investment or personal guarantees. In 2016 the Department of Energy released an update of its Best Practices Guidelines for Residential PACE Financing, which includes additional consumer protections for low-income households such as recommendations for structuring PACE financing so that it is cost-effective for low-in-

come participants.

<u>Upfront Utility Rebates:</u> A utility rebate of at least \$0.50/W will improve participation by other parties. While such incentives do not provide the long term market predictability of retail net metering, rebates do serve to stimulate market participation from both installers and customers.

10. What role, if any, should the Mississippi Public Utilities Staff serve in reviewing facilities studies for Level 2 and/or 3 interconnections?

No Response

In light of the Commission's recent approval of advanced metering infrastructure (AMI) for Entergy and Mississippi Power Company, are bi-directional meters still needed for effective net metering?

No Response

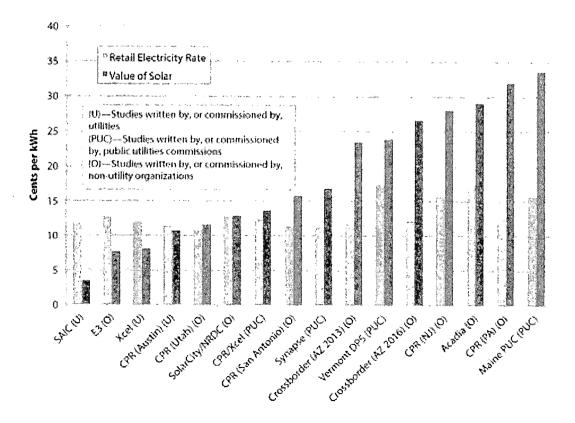
12. To the extent a commenter proposes a new or different compensation scheme, please explain how that proposal would directly affect a Mississippi customer's ability to self-supply. Answers to this question should include any relevant studies, surveys, financial modeling or other specific data-driven evidence supporting the position.

Retail Net Metering: With the monetization of your excess solar energy through net me-

tering, this incentive can actually speed up the payback period and boost the return on investment (ROI) from a solar PV system. You are not only saving money on your energy expenses by using less energy from the grid – your excess solar energy serves as additional revenue to be used to lower future energy bills from the grid, maximizing your solar investment. This makes it easier to recoup any upfront costs and enjoy decades of truly efficient, clean electricity.

A review of 11 net metering studies by Environment America Research and Policy Center has found that distributed solar offers net benefits to the entire electric grid through reduced capital investment costs, avoided energy costs, and reduced environmental compliance costs. Eight of the 11 studies found the value of solar energy to be higher than the average local residential retail electricity rate: The median value of solar power across all 11 studies was nearly 17 cents per unit, compared to the nation's average retail electricity rate of about 12 cents per unit.4

Figure ES-2: A Comparison of Cost-Benefit Analyses of Solar Energy by Study and Category.



Below are summaries of a relevant study from Arkansas provided by energy.gov

## Arkansas

Beach, R., and P. McGuire. 2017. The Benefits and Costs of Net Metering Solar Distributed Generation on the System of Entergy Arkansas, Inc. Crossborder Energy. Available at <a href="https://drive.google.com/file/d/0BzTHARzy2TINbHViTmRsM2VCQUU/view">https://drive.google.com/file/d/0BzTHARzy2TINbHViTmRsM2VCQUU/view</a>.

This report provides a cost-benefit analysis of "the impacts on ratepayers of the net metering of solar distributed generation [DG] in the service territory of Entergy Arkansas, Inc. (EAI)."78 The goal of the report is to "contribute to the Commission's review" of net metering issues in response to recent legislation directing the Arkansas Public Service Commission (PSC) to evaluate the rates, terms, and The report concludes that "the benefits of residential DG on the EAI system exceed the costs, such that residential DG customers do not impose a burden on EIA's other ratepayers."80 The study summarizes the results based on the application of five cost-effectiveness tests (i.e., participant test, RIM test, program administrator cost test, total resource cost test, and societal cost test).

Noteworthy takeaways include:

- The report was commissioned by the Sierra Club and submitted to the Arkansas PSC as part of the Joint Report and Recommendations of the Net-Metering Working Group in Docket No. 16- conditions of net metering in Arkansas.

- Benefits equal or exceed the costs in the total resource cost, program administrator cost, and societal cost tests.
- The RIM test was used to determine that net metering does not cause a cost-shift to non-ancillary services that may be needed to integrate solar DG into the grid.
- The study found "significant, quantifiable societal benefits" from solar DG.

Value of Storage Incentive:

On March 9, U.S. Representative Mike Doyle (D-PA-18) was joined by Representative Vern Buchanan (R-FL-16) and Representative Earl Blumenauer (D-OR-03) in introducing the Energy Storage Tax Incentive and Deployment Act. This bipartisan legislation would create a stand-alone investment tax credit (ITC) for energy storage technologies for utilities, businesses and homes. Leveraging this federal policy with a NEM storage adder would do much to expand solar+storage resiliency across Mississippi.<sup>5</sup>

13. Should the Net Metering Rule incorporate uniform rules or standards applicable to community solar projects and, if so, in what way and to what extent?

Yes, this Net Metering rule should incorporate uniform rules for community solar projects. The MPSC should promulgate all rules and standards necessary to deploy a community solar model as outlined in our answer to question 2.

(Please review excerpt from question 2 answer regarding virtual net metering/communi-

<sup>&</sup>lt;sup>5</sup> Stand-alone energy storage tax credit legislation introduced in both the House and Senate https://www.solarpowerworldonline.com/2021/03/stand-alone-energy-storage-tax-credit-legislation-introduced-in-both-the-house-and-senate/

tv solar).

14. Should the Commission continue to condition a customer's receipt of the additional compensation allowed by the non-quantifiable benefits adder on the customer's voluntary transfer of their REC ownership?

The requirement to surrender REC ownership should be removed from NQB or net metering subscription status.

15. Should the Commission permit meter aggregation by a single net metering customer/owner?

Yes, please see the following excerpt from our answer to question 2.

Aggregate Net Metering: This common policy allows a solar owner with more than one electric meter on their property to credit their surplus solar electricity from one meter to another meter (any separate meter locations if the net-metering facility and the separate meter locations are under common ownership within a single electric utility's service area.). Aggregate net metering is most common on farms, and is commonly referred to as "Agricultural Net Metering." A farm may have multiple buildings (each with its own electric meter), of which only one roof is good for solar. Often times, that good-for-solar building may have very little electric demand (e.g. a barn). With aggregate net metering, the surplus electricity produced at that building's meter can be credited to one of the other buildings on-site that has higher demand (like a house). Tenant aggregation allows multiple occupants of a single building to share electricity or receive proportional credit from an on-site, shared installation. Fully embracing aggregate net metering policy

would increase customer access to renewable self-supply.

16. How could the Net Metering Rule most effectively and accurately incorporate new or developing distributed energy resources, such as battery storage?

GSREIA recommends in order to promote the resiliency benefits of battery storage that the net metering rule include the following incentive adder:

Rate Structure Incentive Adder Recommendations: (Program to be block-capped at 1600 MW, Individual Project Cap of 5MW, 25% of total program capacity reserved for projects of 25KW or less, adder expires after 10 years.)

- Project co-located with energy storage: \$0.03/kWh (initial adder value)

17. What role, if any, should the Commission's Joint Solar Safety and Net Metering Working Group continue going forward?

This group should expand its scope to include difficulties faced by ratepayers and solar firms in deploying solar systems. The working group should endeavor to standardize processes across both IOU's and Cooperatives to limit barriers to market entry. This working group should also track emerging technology in solar+storage to ensure MPSC's regulations continue to progress with innovation.

18. What measures and mechanisms should the Commission consider to better enable schools, state and local government bodies, and other non-profit or tax-exempt entities to participate in net metering?

GSREIA recommends power purchasing agreements as outlined in our answer to ques-

tion 5 to better enable schools, state and local government bodies, and other non-profit

or tax-exempt entities to participate in net metering. No more clearer example of the

success of such a policy can be found than the solar school project in Batesville, Ar-

kansas.6 The district's annual utility bills surpassed \$600,000, a steep sum for a school

system that for years was strapped for cash — and struggled to retain teachers as a

result. An audit was conducted an audit that revealed that the school district could save

at least \$2.4 million over 20 years if it outfitted Batesville High School with more than

1,400 solar panels and updated all of the district's facilities with new lights, heating and

cooling systems, and windows.

The project that resulted has helped slash the district's annual energy consumption by

1.6 million kilowatts and in three years generated enough savings to transform the dis-

trict's \$250,000 budget deficit into a \$1.8 million surplus. A major chunk of the money is

going toward teachers' salaries - fueling pay raises that average between \$2,000 and

\$3,000 per educator. Projects like this can be made possible due to the permissibility of

third party PPAs.

Note: GSREIA additionally endorses the redline Attachment A to the Sierra Club filing in

this docket.

Drafted By:

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Gulf States Renewable Energy Industry Association

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<sup>6</sup> Energy News Network "This Arkansas School Turned Solar Savings into Better Teacher Pay" https://energynews.us/2020/10/16/this-arkansas-school-turned-solar-savings-into-betterteacher-pay/

## **CERTIFICATE OF SERVICE**

I, Stephen P. Wright, do hereby certify that I have this date filed this Motion in compliance with RP6.122(2) of the Commission's Public Utility Rules of Practice and Procedure:

(1) A copy of the filing has been filed with the Commission via e-mail of the same to:

Katherine Collier, Executive Secretary and Acting General Counsel
Mississippi Public Service Commission
501 North West Street, Suite 201A
Jackson, MS 39201

(2) An electronic copy of the Motion has been filed with the Commission via e-mail to the following address:

efile.psc@psc.state.ms.us

(3) An electronic copy of the Motion has been filed with the following Commission staff via email:

Katherine Collier <u>executive.secretary@psc.ms.gov; katherine.collier@psc.s-</u>

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