

**Sponsors: Florida Municipal Electric Association; Ohio Municipal Electric Association;
Minnesota Municipal Utilities Association**

In Support of Affordable, Reliable Solar Power Deployment

1 The amount of solar distributed generation (DG) has increased significantly in the last five years. As of
2 October 2014, 6.4 gigawatts (GW) of distributed capacity has been installed in the U.S., and is expected
3 to increase by approximately 9 GW by 2016, and as much as 20 GW by 2020. Driving this exponential
4 growth is the dramatic decrease in the price of solar panels, with the installed cost of residential and
5 commercial photovoltaic (PV), the primary rooftop solar technology, declining over 70 percent since
6 2008. Also driving this growth are state, federal, and electric utility incentives for solar panel
7 installations, as well as state renewable portfolio (RPS) mandates.

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9 As discussed in Resolution 14-02, the potential benefits of solar DG include avoided generation capacity
10 costs, ancillary services, and higher transmission costs, as well as potentially reduced air pollution and
11 greenhouse gas (GHG) emissions and mitigation against outages on the grid. However, deployment of
12 solar DG can pose many operational challenges to electric utilities, including: grid system imbalances
13 caused by solar's variability; load forecasting impairment; safety concerns for lineworkers; and increased
14 strain on the electric distribution system.

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16 While recent, more rapid, deployment of solar is being driven by some of the policy decisions mentioned
17 above, not-for-profit, consumer-owned public power utilities must also evaluate the deployment of both
18 rooftop solar and community-scale solar based on the needs of their local customers. Those needs include
19 affordability, reliability, environmental considerations and customer autonomy.

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21 As public power utilities have undertaken such evaluations, they have realized that even with the
22 incentives and the reductions in panel prices, solar may still be expensive relative to other fuels,
23 depending on the location, application and integration with the utility system; and that in many cases the
24 more affordable and reliable means of deploying solar is by investing in community-scale projects. Such
25 projects allow for public power utilities to more fully integrate solar generation with the other power
26 generation in their portfolios so as to minimize the variability. Community-scale solar also allows for
27 customers who want to pay the premium sometimes required to deploy solar on any scale to do so without
28 having to make the infrastructure investment required to add solar to their rooftops. While rooftop solar
29 is certainly an option for public power utilities' customer/owners, it is important that the overall costs and
30 benefits of the various solar options are discussed and understood as these choices are being made.

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32 **NOW, THEREFORE, BE IT RESOLVED:** That decisions related to deployment of solar power
33 generation should be made at the local or state level, with a transparent discussion of the costs and
34 benefits relative to other generation sources; and
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36 **BE IT FURTHER RESOLVED:** That community solar projects, while still sometimes more costly than
37 most other types of power generation, can provide a relatively more affordable option than rooftop solar,
38 and also can provide much greater reliability; and
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40 **BE IT FURTHER RESOLVED:** That the American Public Power Association (APPA) will continue to
41 educate federal policy makers about the impacts of federal regulations and incentives on local decisions
42 related to solar power generation, and will discourage federal mandates or one-size-fits-all proposals in
43 this area.

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annual meeting in Minneapolis, Minnesota.**