

STATE POLICY UPDATE

California: With a 50% RPS and full retail net metering in place, SEIA is working to ensure the value of these victories is realized through continued work on RPS implementation, rate design and solar grid integration.

- SEIA's methodology for establishing TOU periods was adopted by the CPUC in January.
- In partnership with Vote Solar, SEIA has challenged over \$2 billion of Southern California Edison's proposed grid modernization investments as premature, excessive, and not cost-effective. This accompanies our work in California's related Distributed Energy Resource grid modernization proceedings.

Massachusetts: SEIA is working to implement policies that will double the size of the Massachusetts solar market.

- SEIA & our local partners helped shape the design of the State's new proposed declining block incentive program. Modelled on California's successful incentive program, the Solar Massachusetts Renewable Target (SMART) is expected to be fully implemented in spring of 2018 & will support another 1600 MW of solar.
- SEIA persuaded regulators to build a bridge between the end of the SREC II and the beginning of the new incentive program. Our advocacy helped avoid another potential gap between the end of the current extension and the start of the new program;
- We're working to align the Commonwealth's net metering caps to align with the new solar incentive program.

New York: SEIA is engaging with state regulators on their regulatory overhaul, known as Reforming the Energy Vision (REV), to promote solar, maintain support for solar programs, and develop interim successor tariffs for net metering.

- SEIA's advocacy resulted in a March PSC Order that keeps net metering for rooftop customers until 2020, creates value-based compensation for larger solar projects, and will establish a sizable community solar market.
- SEIA helped create a new opportunity for utility scale solar through NYPA's large scale renewables solicitation. Released on June 2, 2017, NYPA is seeking 1 million MWh from large scale renewable resources, and will consider non-traditional financing proposals such as prepaid PPAs from bidders, as we had recommended. This solicitation complements an RFP from NYSERDA that takes the first steps toward reaching the 50% RPS goal.
- SEIA continues to help design successor tariffs to net metering under the Commission's new compensation framework for distributed solar (VDER), and is working with the Green Bank on financing options for solar.

Texas: SEIA is actively engaged in dockets at the Public Utilities Commission of Texas and ERCOT that affect how utility-scale solar is treated in the Texas electric market. ERCOT predicts 14,000 – 27,000 MW of solar capacity additions by 2031.

New Jersey: SEIA is working with the legislature and other stakeholders to guarantee continued solar growth in the state even with forecasts showing a flattening demand for energy.

- SEIA is working with industry stakeholders to reach a consensus on a compromise RPS SREC reform proposal. A revised SREC Reform bill should be introduced in the Legislature by the end of June 2017, potentially setting the stage for fall bill passage.
- SEIA negotiated language on a proposed Community Solar bill to ensure a workable program. The bill now has traction in both houses and we expect at least one-house passage this year.

Arizona: With co-investment support from a number of member companies, SEIA worked on rate design in the APS General Rate Case and participated in a settlement reached in early 2017. The ACC still needs to approve the settlement, but if approved, the package will provide certainty and transparency for rooftop solar customers in the APS solar market.

Nevada: The 2017 NV legislation has concluded, and a SEIA-led bill, AB 405 was passed that will reinstate net metering, along with legislating a Solar Bill of Rights and adding Consumer Protection. The rate for exported energy is slightly

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reduced from retail rates, but we feel confident that this will help reinvigorate the residential market that had been so decimated since the PUCN's decision to eliminate net metering in 2015. SEIA worked with other stakeholders on that bill, as well as SB 374 (Community Solar) and AB 205 (Increasing the RPS), among other energy bills.

Colorado: SEIA co-sponsored (with COSEIA) legislation in CO to extend a cap on solar permit fees (\$500 for residential systems, \$1,000 for non-residential systems) in 2017, which has been signed into law by the Governor. This was one of the few pieces of energy legislation that successfully navigated the split houses in Colorado.

Southeast States: SEIA is engaged across the south on both utility scale and DG solar. Recent developments:

- **Florida:** SEIA worked in partnership with Vote Solar to drive Amendment 4 legislative implementation through SB 90. The bill was signed by Florida Governor Scott in late June; it creates an 80% tangible personal property and ad valorem tax abatement for residential, commercial, and utility scale solar. The legislation also requires standard disclosure forms for residential solar. SEIA is starting to work with the Florida Department of Business and Professional Regulation to start the rulemaking process for these forms.
- **North Carolina:** SEIA worked with local advocates NCSCEA and NCCEBA on an overhaul of the solar energy policy framework in North Carolina. If signed by the Governor, H589 will move the state from a PURPA-driven market to a competitive solicitation process. The legislation authorizes solar leasing, and contains consumer protections, residential and commercial solar rebates, a large customer procurement program, an energy storage study, and small changes to the state Renewable Portfolio Standard. SEIA is also working with statewide advocates to address local pushback to utility scale solar development.
- **South Carolina:** Rooftop solar companies have coordinated with SEIA on ongoing consumer protection issues being surfaced in public and at the legislature. SEIA will use its existing consumer protection materials to educate local and national solar companies and the SC Office of Regulatory Staff in order to avoid legislative overreach.
- **Virginia:** SEIA is participating in the Rubin Group process to drive consensus legislation among solar advocates, the solar industry, and utilities for the 2018 legislative session. SEIA's work has predominantly been on utility scale policy formation, but we are also starting to help MDV-SEIA address local pushback to large scale solar – similar to what we've seen in North Carolina.

Midwest States: Midwest solar markets are poised for growth with new policy activity in late 2016.

- SEIA launched a Midwest Committee in 2016 that is now active in several states throughout the region, with a focus on Illinois, Michigan, and Minnesota.
- Illinois enacted a "fix" to its RPS law in December 2016 that will support up to 1,350 MW of new solar by 2020, and growth through 2030. SEIA is leading the charge with industry groups and companies to design the incentive program and maximize the opportunity for solar in Illinois. And we are working with industry partners on the ICC's grid modernization initiatives, including development of an inverter rebate tariff and guiding the Commission in its NextGrid process.
- SEIA and its partners recently won a significant victory in Michigan, where utilities are now required to enter into long term contracts for solar energy projects up to 2 MW at fairly calculated prices. Additionally, SEIA is working to preserve net metering for existing rooftop solar customers, and to develop a favorable successor tariff.
- In Missouri, SEIA worked with TASC and our state affiliate MOSEIA to defeat a bill that would have imposed mandatory demand charges on residential solar customers.
- SEIA helped defeat a bill in Kentucky that would have ended net metering in the state.