

# Bill would require more solar power

By John Murawski

*PUBLISHED IN: BUSINESS*

Solar energy is proving so successful in North Carolina that industry advocates want to double the amount of sun-powered electricity that's required by state law.

A bill introduced Monday in the General Assembly would raise North Carolina's solar energy requirement to 0.4 percent of all retail electricity sold by electric utilities by 2018. The current requirement, set by the state's 2007 green energy law, is 0.2 percent.

But despite solar energy's increasing popularity and falling costs, the state's electric utilities say they won't support a legislative proposal that tinkers with rules that took months of delicate negotiations to establish.

If the mandate is not increased, solar advocates fear, Duke Energy and Progress Energy are likely to stop at their 0.2 percent requirement, rather than continue buying solar energy.

"If the law doesn't pass, you're going to see solar companies like us move out of the state because there's no work," said Bob Kingery, co-founder and CEO of Southern Energy Management, a solar panel installer in Morrisville.

Solar energy has been far and away the most successful of the renewable resources that power companies have developed in North Carolina since the 2007 law required an increase in renewable energy and conservation efforts.

The law requires that 12.5 percent of retail electricity demand be met by renewables and conservation programs by 2021, with individual targets for solar and biomass resources.

Charlotte-based Duke Energy and Raleigh-based Progress Energy are ahead of the current schedule on solar development. The state's largest power companies passed 2011 solar targets, and they are expected to pass their 2016 targets soon, at which point they would have no incentive to sign more solar deals.

According to the N.C. Sustainable Energy Association, a Raleigh trade group for the renewables industry, the 2007 law has resulted in the development of nearly 60 megawatts of solar power in North Carolina. Three-fourths of the electricity comes from 20 industrial-scale projects that generate between 1 megawatt and 2 megawatts of electricity.

Still, Duke Energy and Progress Energy oppose making piecemeal changes to the 2007 law so soon after its passage. Duke and Progress also oppose a bill introduced recently that would repeal the 2007 law.

## Related Stories

## Related Images

"The most efficient way to do this is to stick with the policy you've developed," said Progress spokesman Mike Hughes. "We and others have made long-term investments based on the state's policy."

The solar bill's sponsors are mostly Republicans in the state House: Tom Murry of Wake County, Ruth Samuelson of Mecklenburg County, Chuck McGrady of Henderson County and Tim Moffitt of Buncombe County. The lone Democratic sponsor is James Crawford Jr. of Granville and Vance counties.

The N.C. Sustainable Energy Association estimates that boosting the solar mandate will result in the creation of 6,000 jobs.

"This is good for economic development," said Murry, a pharmacist and lawyer. "I want the solar industry to continue on its natural progression."

State energy policy allows the utilities to recover the cost of renewables and conservation projects through customer rates. Thus the cost of long-term contracts with solar farms, energy-efficiency programs and new power plants are paid for by customers in monthly utility bills.

Solar advocates say the price of solar energy has dropped by 50 percent in recent years, so doubling the utility requirement for solar contracts will not increase the overall cost.

According to the U.S. Energy Information Administration, solar photovoltaic panels are twice as expensive to build as coal-burning power plants, nuclear plants and geothermal installations.

To defray the cost to the public, Progress pays its customers up to \$10,000 for installing rooftop solar panels on their homes. The program was approved in November by the N.C. Utilities Commission.

Duke Energy's solar projects include a 8.5 megawatt household rooftop program that will install solar panels on customers' homes, essentially creating mini power plants in neighborhoods throughout the company's service area.

Duke is also buying electricity from a 15.5-megawatt solar farm operated by SunEdison in Davidson County.



[Subscribe to The Charlotte Observer.](#)