

Solar Workgroup of Southwest Virginia

Call Summary

August 8th, 2019

Background

A conference call of the Solar Workgroup took place on August 8th, 2019. The Solar Workgroup of Southwest Virginia (Workgroup) is a group of nonprofit and community action agencies, colleges, state agencies, planning district commissions, and other interested citizens and businesses seeking to develop a renewable energy industry cluster in the seven coalfield counties of Southwest Virginia (SWVA). The workgroup was co-convened in 2016 by the UVA-Wise <u>Office of Economic Development & Engagement</u>, <u>People Inc.</u> and <u>Appalachian Voices</u>, with facilitation assistance from <u>Dialogue + Design Associates</u>. Additional background information is available at <u>www.swvasolar.org</u>.

Read more about the <u>Solar Workgroup background and progress</u> here, and check out the <u>timeline and accomplishments infographic here</u>. Here is the link to the <u>meeting summary</u> from the last meeting on June 20th, 2019.

Meeting Highlights and Welcome

During the call, the Workgroup Planning Team discussed the GO Virginia grant for "Growing Solar in Southwest Virginia" as well as the development of the Solar Workgroup's draft legislative priorities for feedback and suggestions.

Christine Gyovai, the meeting facilitator with Dialogue + Design Associates, gave an overview of the agenda and participants introduced themselves. After introductions, Christine congratulated St.Paul on their recent addition of Clinch River State Park and all the communities that were awarded the recent SolSmart designation.

Growing Solar in Southwest Virginia – GO Virginia Grant

Adam Wells of Appalachian Voices then gave an overview and update of the Growing Solar in Southwest Virginia, a recent GO Virginia grant, its projected outcomes, partners, timeline, and next steps. You can find Adam's presentation <u>here.</u> The core projected outcomes are:

- 1. Solar workforce training
- 2. Solar on mineland and brownfields

- 3. Solar at data centers
- 4. Solar supply chain manufacturing, service, and IT

The overall purpose of the GO Virginia grant is to develop highly visible solar projects, increase solar job opportunities, become a leader in solar trends, and make Virginia and specifically, Southwest Virginia, a solar-friendly place from a policy perspective. Of the four core Solar Workgroup goals, this grant addresses the second one most directly: "grow workforce development and entrepreneurship opportunities to advance solar projects and maximize local benefits." The grant will include a market analysis, gap assessment, and assist with moving SolSmart forward by assisting SolSmart designated communities with planning, zoning, permitting, utility-scale incentives, and developing resources for solar projects on minelands. The market analysis will complement the VEDP (Virginia Economic Development Partnership) and develop a "playbook" for local governments to take advantage of solar development opportunities.

Timeline of GO-Virginia grant: July 2019- June 2020

- Engagement of Solar Workgroup: Ongoing throughout
- Market analysis: Completed December 2019
- Development of resources for local governments: Begin early 2020
- Site mapping: August 2019 and April 2020
- Gap analysis: April 2020
- Publication and deployment of Playbook: May/ June 2020

Questions and Discussion

Adam then asked a few questions of the localities that were participating on the call for their feedback, noting that continued discussion and dialogue would take place with locality representatives in the coming months for the GO Virginia grant. Discussion points included:

- Mary from the Solar Foundation added that she's really excited to continue working with SWVA communities. The Planning Team emphasized that hearing feedback from the localities will be very useful moving forward.
- One participant asked how small businesses can learn more about having rooftop solar. Adam explained that the Solar Workgroup has been facilitating solar development in SWVA through a group purchase solar request-for-proposals (RFP) process, and recommended the website as a place to learn more about other solar opportunities or reaching out to Adam at any point to learn more.
- A participant from St. Paul mentioned that they do not have the land for an industrial scale solar project, but the old Bush Building is on the doorstep of the new Clinch River State Park. It is a huge building (300,000 square feet) that would need to be sectioned into smaller spaces. Through the SolSmart process, they hope to attract clean energy developers to utilize the building.
- Gary Hearle, the SolSmart advisor, mentioned that all the jurisdictions he was working with have a great advantage by not having barrier policies in place to inhibit solar

development within their localities. Gary noted that Southwest Virginia is poised to become a solar leader. It is a matter of using and promoting the designations to attract parties that have interest in solar. From a policy standpoint that need state-level changes to PPAs (power purchase agreements) and net metering in order to be competitive with over a dozen other states. Until those two areas are addressed, progress will be slowed for solar development.

Solar Workgroup updates: Legislative Priorities

Chelsea Barnes with Appalachian Voices introduced the progress and discussion of the Solar Workgroup's legislative priorities, which had been focused on during the previous two Workgroup meetings. She noted that over the next couple of weeks, the Planning Team will be reaching out to Solar Workgroup members directly for one-on-one feedback on these priorities. They are hoping to finalize the legislative priorities by October and meet with legislators for them to consider sponsoring legislation. The Planning Team will also be talking with other potential partners to work on related priorities in a coordinated effort to move legislation forward. During the last two meetings the Solar Workgroup has discussed the legislative barriers, incorporating feedback, and identifying the following four main priorities:

- <u>Net metering and meter aggregation</u>. Net metering is a billing mechanism that credits solar system owners for the electricity they add to the grid. There are currently arbitrary limits on 1) the total amount of net metering that is allowed in each utility territory, 2) the size of a customer's solar system, and 3) aggregating customers' meters to be able to offset electricity from multiple meters from one solar system. These limitations are stifling solar development. Net metering policies should be updated to be responsive to current market conditions, including raising the overall program limit, raising system size limits, and allowing for meter aggregation.
- <u>3rd-Party Ownership and Power Purchase Agreements</u> are financing mechanisms that allow building owners to spread out the upfront cost of solar systems over time into affordable monthly payments and take advantage of federal tax credits. There is inconsistent policy across the Commonwealth, and Southwest Virginia customers in particular are limited in their ability to utilize these common financing tools. Regulations regarding third-party ownership and PPAs should be updated to allow all customers to have access to more affordable financing solutions.
- <u>Community Solar</u> allows residents and businesses without the ability or capacity to install solar on their own building or land to purchase locally produced solar energy. Legislation is needed to replace the existing utility-specific pilot programs with new statewide programs that make community solar accessible and affordable for all.
- <u>Developing Solar and Energy Storage Development</u> on Mined Lands and Brownfields areas is a strategic way to utilize Southwest Virginia's coal-impacted lands and is gaining significant attention from solar developers. State programs and/or incentives could facilitate large investments in these degraded areas, creating jobs and contributing to local revenues.

More information can be found in the <u>Legislative Priorities</u> document.

Discussion

• Gary Hearle with SolSmart emphasized that these legislative priorities should be coordinated with MDV-SIA (Maryland, Delaware, Virginia. Solar Industries Association) since they have a budget for lobbying. Another potential partner is AEE (Advanced Energy Economy). A coordinator effort would likely have more success, especially if presented as one bill for each goal. The Planning Team will follow up with these groups.

Next Steps

- Stay tuned for a doodle poll for an in-person fall Workgroup meeting.
- The Planning Team will be following up for one on one feedback for the legislative priorities.

Meeting Attendees

- Meade Anderson, DEQ
- Chelsea Barnes, Appalachian Voices
- Kate Boyle, Appalachian Voices
- Emily Carlson, Dialogue + Design Associates
- Winfred Collins, Norton
- Hannah Coman, Southern Environmental Law Center
- Kevin Comer, Antares Group
- Austin Counts, Appalachian Voices
- Thad Culley, Vote Solar
- Jason De La Cruz, Dominion Energy
- Aaron Fee, Lee County
- Christine Gyovai, Dialogue + Design Associates
- Gary Hearle, SolSmart
- Dan Hunnicutt, Rockbridge Energy
- David King, Abingdon, consultant

- Brad Kreps, The Nature Conservancy
- Penny Jeffery, Big Stone Gap General Store
- Lonzo Lester, Russell County
- Lena Lewis, The Nature Conservancy
- Mark Moormans, People Inc.
- Charlie Parkinson, Cumberland Plateau
- Vivek Patel, Ascent Virginia
- Tim Potter, EDA
- Chris Rakes, Dickenson County
- Ted Redmond, paleBluedot
- Josh Sawyers, UVA Wise
- Skip Skinner, Big Stone Gap consultant
- Adam Wells, Appalachian Voices
- Mary Van Leuven, Solar Foundation