

Sunny States Are Sabotaging Solar Energy

A study finds that 10 states could supply 35 percent of the country's solar electricity—if they weren't hindering the expansion of renewable energy.

APR 27, 2016

David Kirby has been a professional journalist for 25 years. His third book, Death at Sea was published in 2012.

Is your state a slacker when it comes to developing rooftop solar energy?

A report released Tuesday by the environmental group the Center for Biological Diversity identified the 10 states with the worst records for enabling households to generate electricity from the sun, even though those states' potential for rooftop solar is among the highest in the country.

According to the report, Throwing Shade: 10 Sunny States Blocking Distributed Solar Development, the states are Alabama, Florida, Georgia, Indiana, Michigan, Oklahoma, Tennessee, Texas, Virginia, and Wisconsin.

"All of these states have significant barriers in place to distributed solar development and have earned an overall policy grade of 'F,' " the report said.

The 10 states account for more than 35 percent of the total rooftop solar potential in the contiguous United States but have just 6 percent of rooftop capacity, the report said, citing data from the National Renewable Energy Laboratory.

Rooftop solar potential is calculated by analyzing the annual strength and amount of sunlight and the total rooftop space for solar panels in each state.

"All 10 of these states are bad actors in the distributed solar policy game, but two in particular stand out as the worst: Florida and Texas," the report said. Florida has the third-highest potential for rooftop solar, and Texas is ranked No. 2, after California.

Florida and Texas make up more than 16 percent of total solar rooftop potential but account for just 2.7 percent of the current capacity, the report said.

Environmentalists say impediments to rooftop solar make it difficult for the United States to meet fossil-fuel emission reductions established by the Paris climate change accord, which 175 world leaders signed at the United Nations on April 22.

Activists also contend that distributed solar power is a desirable alternative to large-scale renewable-energy production, which can threaten endangered species and sensitive habitats.

"We produced this report to promote distributed solar energy because it requires less water, has no climate impact, and uses much less land," said Greer Ryan, sustainability research associate at the Center for Biological Diversity and the report's author.

"It's a good option for creating electricity in an already built-up environment," Ryan said.

So why are some states performing so poorly when it comes to rooftop solar?

"Unfortunately the vast majority of states are lacking the fundamental policies that would encourage solar market development," the report said. "Utilities and corporate interests have been fighting to remove or weaken policies, waging a 'war on rooftop solar.'"

Among the 10 states listed, seven lack "renewable portfolio standards" (RPSs) that require utilities to obtain a certain percentage of the electricity they sell from sources such as solar. The three states that have mandatory standards "have already met their low targets and have not taken steps to update their policies, so these RPSs are doing nothing to bolster the solar industry at this point," the report said.

Another major obstacle is a lack of statewide net-metering policies, which allow households to sell surplus electricity back to utilities. Only three of the states have such policies.

Meanwhile, only three of the states permit third-party ownership of solar panels, which allows households to avoid the steep upfront cost of going solar by leasing a system from companies like SolarCity. None of the states offer "community solar programs," which permit renters and those without suitable roofs for solar panels to buy electricity from a neighborhood solar installation.

Though Nevada was not on the list, the report pointed to the state as one that has "effectively destroyed the economics of rooftop solar." In December, Nevada's Public Utility Commission imposed high fees on solar customers and slashed the rate they were paid for selling electricity to the power grid.

"The decision was made in response to complaints over profit loss by the utility NV Energy, which has a monopoly in the state," the report said. "In response to the decision announcement, three solar companies immediately ceased operations and laid off hundreds of workers in the state."

Of the 10 states, only Virginia has a Democratic governor, and most have Republicandominated legislatures

But Bret Fanshaw, solar program coordinator with the group Environment America, said, "I don't know if you can make that exact correlation. You could point to other states like Arizona, which has a ton of solar and a Republican governor."

Still, he added, "it's hard to see many [Republicans] out there fighting for rooftop solar."

In October, Environment America and the Frontier Group published a report, Blocking the Sun, that blamed large utility companies and pro–fossil fuel groups such as the Edison Electric Institute, the Koch brothers' Americans for Prosperity, and the American Legislative Exchange Council for fighting state-level policies that promote rooftop solar power.

"They perceive solar power, especially solar power generated locally by ordinary residents and businesses,...not as an opportunity to clean our air but as a threat to established ways of doing business," the groups' report said.

Brian Reil, a spokesperson for the Edison Electric Institute, said utility companies support solar power.

"Sixty percent of all installed solar capacity in the United States have been done by utilities," Reil said, adding that nearly all of that came from large-scale installations.

That's probably because rooftop solar is not as profitable.

"Under most net metering policies, utilities are required to buy this power at the full retail rate, even though it would cost them less to produce the electricity themselves," David Owen, executive vice president of the Edison Electric Institute, said in February.