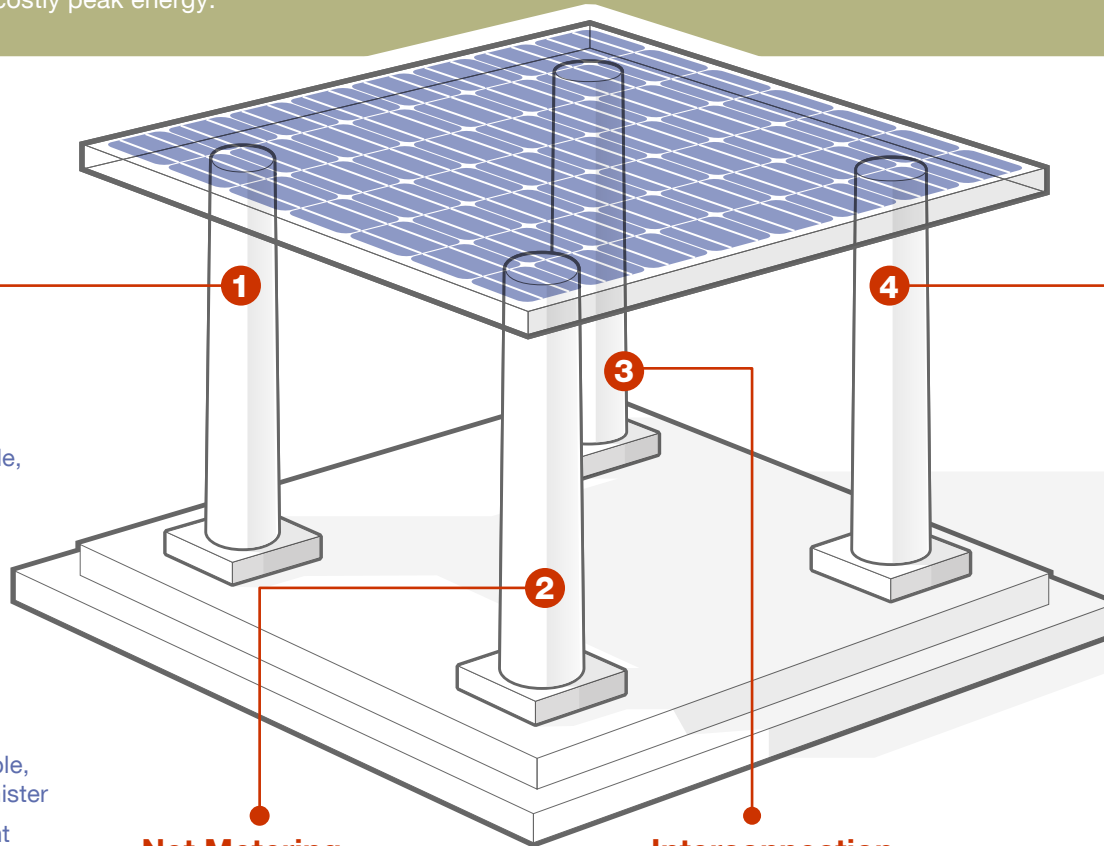


# THE FOUR PILLARS OF COST-EFFECTIVE SOLAR POLICY

Any state can develop a world-class solar market, strengthening the local economy and environment, increasing grid stability, and reducing dependence on costly peak energy.



## Incentives

- Encourage business growth and investment with large-scale, long-term programs
- Tie incentives to system performance
- Reduce incentives over time as the market grows and prices decline
- Support a broad range of system types and sizes
- Make incentive programs simple, transparent and easy to administer
- Coordinate policy development with stakeholder groups
- Demonstrate program effectiveness with reliable, rigorous analysis
- Publish timely, comprehensive and consistent data on installed systems
- Recognize the environmental attributes of solar production

## Net Metering

- Treat clean, on-site power the same as customer efficiency investments
- Allow net-metered systems up to 2MW
- Permit significant deployment
- Eliminate special fees
- Establish “rollover” provisions

## Interconnection

- Keep fees fair and proportional to project size
- Allow systems up to 2MW per FERC Order 2006
- Make rules transparent, uniform, detailed and public
- Plug-and-play rules for residential, expedited procedures for other systems
- Process applications quickly
- Standardize and simplify forms

## Utility Rates & Revenue Policies

- Decouple utility profits from revenues to encourage efficiency and on-site generation
- Align utility shareholder and customer benefits resulting from utility solar investments
- Encourage rate structures that align peak retail and wholesale costs
- Eliminate “volume discounts” that discourage efficiency
- Include a commercial rate plan that exchanges low or no demand charges for higher energy charges
- Provide a range of rates that incentivize efficiency and peak reductions
- Allow customers to choose a solar-friendly rate

# The Solar Alliance

The Solar Alliance is your resource for understanding how to build cost-effective solar policies and programs. We are an alliance of leading photovoltaic manufacturers, installers and financiers focused on helping legislators, regulators and utilities make the transition to solar power. We are here to provide you with the technical and policy expertise that will result in programs that best serve the interests of all residential, commercial and government ratepayers.