PILOT RESIDENTIAL & COMMERCIAL CUSTOMER SOLAR PROGRAMS

City of Mesa

Energy Resources Department 5.10.12

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INTEGRATED RESOURCE PLANNING

- A "Best Practice" decision-making process on how to meet customers' energy requirements

- 2011 Electric IRP Action Plan – Solar
  - Large Scale Utility projects
  - Enhance current customer program
  - Explore the benefits of "Distributed Generation"

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CURRENT SOLAR PROGRAM

- Benefits of energy efficiency emphasized
- "Net Billing" employed
  - Variant of "Net Metering"
- Meter does not reverse
- Net Metering = reversal of meter

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2012 PILOT SOLAR PROGRAM

- IRP / Central Main Plan / i Mesa submission / Customers
- Commercial and Residential Customers
- 12 Month Pilot
- Incentives & Net Metering
- Incentives funded via energy cost recovery factor (EECAF)

	RESIDENTIAL	COMMERCIAL
INCENTIVE ($ / kW)	$ 1,000	$ 1,000
MAX kW / $ INCENTIVE	5 kW / $ 5,000	10 kW / $ 10,000
ANNUAL BUDGET	$ 50,000	$ 50,000

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REBATES & NET METERING

- Incentive offsets some of customer's initial costs to install solar
  - Mesa receives Renewable Energy Credits (REC's)
- Net metering:
  - Customer Solar displaces our purchase of equal amount of energy from market
  - Compensates customer for solar energy at full retail rate (for residential approx. $.10/kWh)
  - Simplifies metering and saves metering costs

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PILOT PROGRAM BENEFITS

- Supplements our renewable resource portfolio & diversity of supply
  - Non-fossil resource that helps insulate our customers from price shocks in fossil fuel markets and fuel shortages and interruptions.
- The "Distributed Generation" benefits from the Pilot Program are anticipated to offset additional direct costs:
  - Losses associated with transmitting energy from remote sources over long distances can be reduced (approximately 5% percent for conventional supplies)
  - Potentially reduce the need for increasing our transmission requirements as we rely more upon local sources
  - Reduce demand during high cost, peak times if solar energy is generated when customers use electricity
  - Voltage support in remote parts of distribution system

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QUESTIONS

COMMENTS

SUGGESTIONS

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