

BEYOND THE BELTWAY

Here Comes the Sun

How states are cutting the solar red tape, costs.

BY OLGA BELOGOLOVA

Harnessing the energy of the largest and most massive body in the solar system isn't cheap, but it's getting easier.

In Vermont, getting approval for a solar installation often takes 60 or even 75 days. In the worst cases, when neighbors protest, or the state has objections, the process can take up to six months.

But in May, Gov. Peter Shumlin signed into law a solar registration program that will simplify and streamline the permitting process for installations in both homes and businesses.

The program, which will replace the often tedious and costly permitting process, will shorten the approval time to just 10 days for installations of small solar arrays under 5 kilowatts (enough to power an average American home).

"When you're in business, one of the things that customers want is instant gratification," said David Blittersdorf, president and CEO of AllEarth Renewables, a Vermont-based solar company.

By switching from a permitting process to a registration system, he said, Vermont was not only providing customers and installers with a simpler way of doing things. It was also signaling that solar power is a public good rather than a disruption.

Vermont's solar permits were already free, unlike those in many other states. But Vermont officials say that the new registration system will eliminate some of the soft costs associated with delay.

Other states are trying to reduce the regulatory costs for solar, too.

In Colorado, Gov. John Hickenlooper signed the Fair Permit Act earlier this month. The new law puts a cap on the permitting fees for solar installation. Local and state agencies will only be allowed to charge enough to recoup their expenses; permits for residential installation aren't allowed to cost more than \$500, and those for businesses can't cost more than \$1,000.

"When you're in business, one of the things that customers want is instant gratification."

David Blittersdorf, president and CEO of AllEarth Renewables

But these kinds of costs are still a problem across the United States, where jurisdictions and zoning rules often discourage or slow down putting in solar-arrays.

An installer located in one jurisdiction often operates in multiple locations where different requirements and codes can lead to time-consuming and unpredictable approval processes. That often forces installers to return to a site numerous times, and in some cases, to physically walk into permitting offices with large architectural drawings and other paperwork.



Brighter day: Streamlining permits boosts solar installations.

"There's a lot of uncertainty that's created with the customer and installer," said Ethan Sprague, director of government affairs at SunRun, a San Francisco-based residential solar-energy company.

Earlier this year, a study by SunRun estimated that inconsistent local permitting processes were adding an average of \$2,500 to the cost of every solar installation. Streamlining those practices nationwide, the company estimates, could provide the equivalent of a \$1 billion stimulus to the solar industry over the next five years.

From the first quarter of 2010 to the first quarter of 2011, the amount of solar-energy capacity installed in the U.S. grew by 66 percent, according to the U.S. Solar Market Insight report produced by the Solar Energy

Industries Association.

That tremendous growth allowed the cost of solar power to fall, making it more and more cost competitive.

But as the costs of the technology and the installation have dropped, the percentage of the cost tied to local regulatory barriers has been climbing, said Tom Kimbis, the solar-energy trade association's vice president of strategy and external affairs.

"There are some best practices out there that we would love to see replicated across the country," Kimbis said, citing the streamlining efforts in Vermont; Portland, Ore.; San Jose, Calif.; and several other cities and states.

The Energy Department has taken on this issue in its own way, through its SunShot Initiative, which aims to reduce the cost of solar power by 75 percent to \$1 per watt by the end of the decade. Taken up earlier this year, the project goes beyond incremental efficiency improvements in solar cells and arrays and looks to nontechnical barriers, such as permit costs.

And in the Senate, the concept has garnered bipartisan support. Sen. **John Boozman**, R-Ark., and Sen. **Bernie Sanders**, I-Vt., introduced a bill last month that incorporates the Energy Department's initiative. The goal, they say, is to power 10 million U.S. homes and businesses with solar energy by 2020. ■