

## CLEAN Program Brief

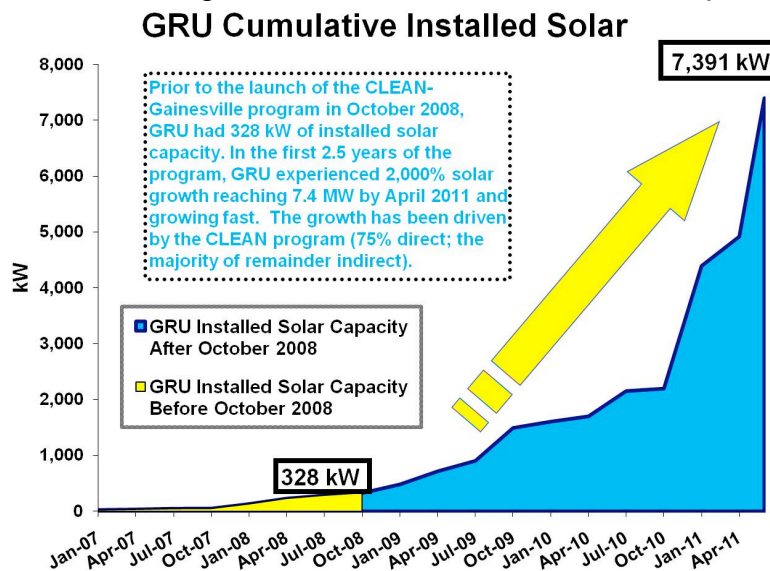
### Gainesville

Utility	Gainesville Regional Utilities (GRU)
Program Size	4 MW/year
Project Size	1 MW max for ground mounted, 300 kW for building or pavement-mounted
Pricing	\$.24/kWh - \$.32 cents/kWh
Fees & Deposits	\$500 - \$1200 & \$30/kW
Eligible Energies	Solar
Contract Duration	20 years

### Overview

Gainesville Regional Utilities (GRU) serves 90,000 electric customers in Gainesville, Florida. In 2007 GRU had implemented a retail net metering program, coupled with a \$1.50 per watt (W) installation cost rebate. Despite these efforts, by late 2008 the city still had less than 400 kilowatts (kW) of deployed solar. The City Commission then undertook a comprehensive effort to shift toward renewable energy and reduce greenhouse gas (GHG) emissions following a robust local debate on energy supply options and Gainesville's adoption of the US Conference of Mayors' Climate Protection Agreement. GRU drew upon a successful German program and, within six months, enacted the first comprehensive, cost-based, CLEAN Program in the United States in March of 2009.

GRU's CLEAN Program (locally known as a "Feed-In Tariff" Program) has been a great success. As a result of its CLEAN Program, Gainesville has experienced more than 2,000% growth of its cumulative solar PV capacity over two and a half years.



GRU's solar capacity increased from 328 kW in October 2008 to 7.4 MW by May 2011. GRU granted all of its initial annual 4 megawatt (MW) allocation in the first week of the Program's existence and, within five months, the program was fully subscribed for the next seven years. GRU has filled all 32 MW of its CLEAN project allocations through 2016, and there is currently a multi-year waitlist for the program.<sup>i</sup>

The Gainesville CLEAN Program has accelerated the city's clean energy economy. The city is establishing a local solar industry base to serve communities throughout the region. The 20-fold increase in volume of deployed solar has significantly increased economies of scale and driven down the costs of installing a solar system. Gainesville's CLEAN Program created approximately 260 new jobs, many of which are local jobs. It should be noted the employment growth was entirely in the private sector. Gainesville Regional Utilities (GRU) did not hire a single additional staff member to implement or administer its CLEAN Program. GRU's Program implementation involved creating standard requirements, contracts, interconnection processes, and payments for projects; as a result, the utility saved valuable staff time that might otherwise have been spent on decision making, negotiations, legal disputes, and payment administration to deploy an equivalent amount of renewable energy.

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## Program Details

### Allocation & Contract Terms

Contracts are issued on a first-come-first-served basis. GRU offers 20 year, fixed-rate contracts for all energy produced by Program projects.<sup>iii</sup> (No partial net metering allowed). Project owners are also eligible for any other federal tax benefits and other incentives that might be available.

### Participant Eligibility

To be eligible to participate in the Gainesville CLEAN Program, a solar photovoltaic (PV) project must be located within GRU's electric service territory, but the PV system owner does not have to be a GRU customer. The project must also be approved by GRU engineering staff. Any system that has previously received a rebate from GRU or entered into a net-metering program is not eligible for the Gainesville CLEAN Program.<sup>iv</sup>

### Project Milestones

Once the queue year begins on January 1st, the seller must initiate their project by March 31<sup>st</sup> by contacting GRU's Solar Program Coordinator. Sellers then have 60 days to obtain engineering approval. After receiving engineering approval, the Solar Energy Purchase Agreement (SEPA) is signed by both parties. The sellers then have 60 days to acquire the equipment needed for the project and 120 days to complete construction and begin operation. Any projects that fail to meet these deadlines are subjects to termination.<sup>v</sup>

## Fees & Deposits

There is a non-refundable processing fee when submitting an application. The fee is \$500 for systems 10kW or less and \$1,200 for systems greater than 10kW. Upon acceptance of the power purchase contract, a queue reservation deposit of \$30/kW is required.<sup>vi</sup>

## Interconnection

Interconnection is standardized through the SEPA contract, and participants will be paid for 100% of the solar energy they generate, all of which is delivered to the GRU grid.<sup>vii</sup>

## Pricing

Pricing for the GRU CLEAN Program is based on the average installed cost of solar PV systems. Rates for 2011:<sup>viii</sup>

- Rooftop or over-pavement projects and ground-mounted projects less than 10 kW: \$0.32/kWh (based on average installed cost per watt of \$7.50).
- Rooftop or over-pavement projects 10-300 kW and ground-mounted projects 10-25 kW: \$0.29/kWh (based on an average installed cost per watt of \$6.75).
- Ground-mounted projects greater than 25 kW: \$0.24/kWh (based on an average installed cost per watt of \$5.55).

Installed cost per watt includes all costs associated with construction, including all materials and labor.

## References

- i Gainesville, Florida's Feed-in Tariff Experience, Applied Solutions Annual Conference, November 2010, Presented by Pegeen Hanrahan, P.E., *available at* <http://www.drivecms.com/uploads/appliedsolutionsworkshop.com/1085203963Hanrahan%20%20Applied%20Solutions%20FIT%20Session%20Hanrahan%20Nov%2011%202010.pdf>
- ii Ibid
- iii Solar Feed In Tariff Workshop, Gainesville Regional Utility (GRU), June 9, 2010, *available at* <http://www.gru.com/Pdf/SolarFIT/SolarFITContractorWorkshop6-9-10.pdf>
- iv Solar Energy Purchase Agreement (SEPA) Administrative Guideline VO72109, Gainesville Regional Utility (GRU) Administrative Guideline, March 1, 2009, *available at* <https://www.gru.com/Pdf/futurePower/GRU%20FIT%20Administrative%20Guideline%207-22-09.pdf>
- v Ibid
- vi Solar Feed In Tariff Workshop, Gainesville Regional Utility (GRU), June 9, 2010.
- vii Solar Energy Purchase Agreement (SEPA) Administrative Guideline VO72109, Gainesville Regional Utility (GRU) Administrative Guideline.

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viii Gainesville Regional Utility, Solar FIT, accessed June 17, 2011, *available at*  
<https://www.gru.com/OurCommunity/Environment/GreenEnergy/solar.jsp>