

# ASU<sup>®</sup> ENERGY POLICY INNOVATION COUNCIL



## CURRENT TOPICS

Sustainable Cities Network  
Solar Energy & Energy Efficiency Workgroup

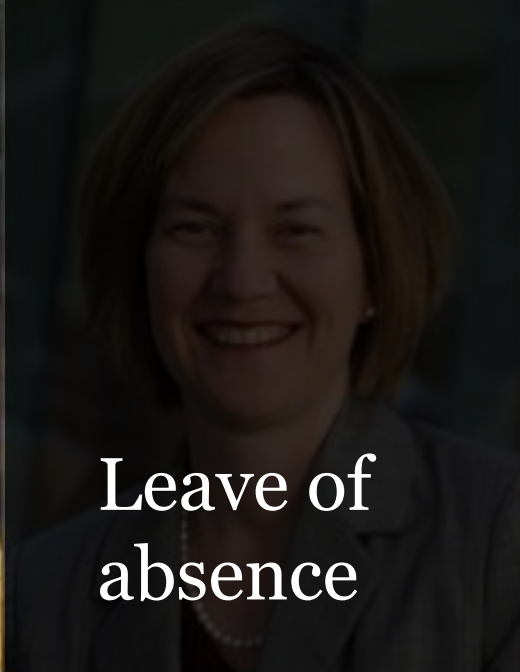
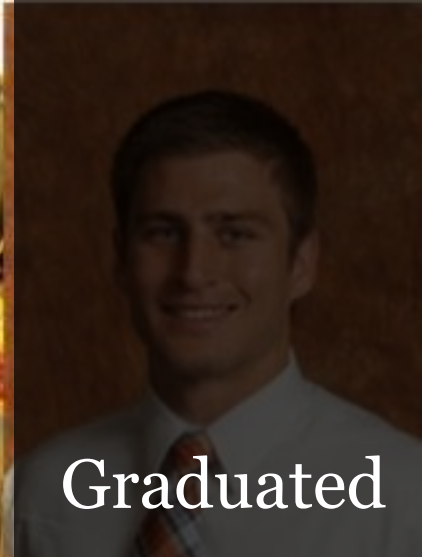
MAY 19, 2016  
LEISA BRUG WEIR  
DIRECTOR, SPECIAL PROJECTS

# Topics



- **EPIC: Who we are**
  - How to find us online and IRL
- **Clean energy topics**
  - SolarCity v. ADOR
  - Clean Power Plan
  - UNS Electric rate case
  - Energy storage
  - ITC/PTC extension

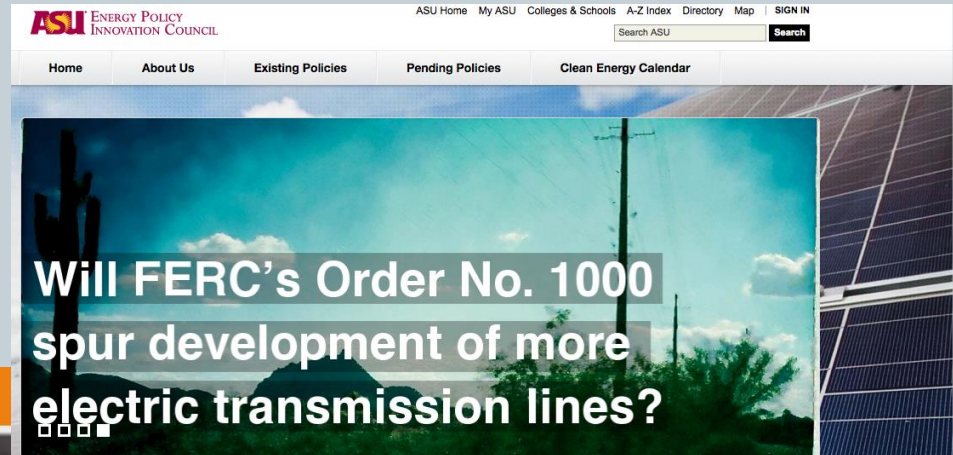




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# How to find us IRL



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# Solar City v. Arizona Dept. of Revenue





# Solar City v. Arizona Dept. of Revenue



- Trial Court struck down A.R.S. § 42-11054(C)(2), which placed a value of \$0 on rooftop solar for tax assessment.
- Trial Court also held that ADOR could not centrally value solar panels. County Assessors must do it.
  - ADOR may only value “solar generation facilities” and the court found that rooftop solar did not qualify as a utility.
- The Maricopa County Assessor’s Office currently places no value on solar devices, but does keep a record of solar devices in anticipation of potential future valuation.
- The case is now on appeal in the Arizona Court of Appeals.

# Solar City v. Arizona Dept. of Revenue



- Download our brief sheet here:
- <https://energypolicy.asu.edu/a-brief-on-solarcity-v-az-dept-of-revenue/>

# Clean Power Plan



# Clean Power Plan



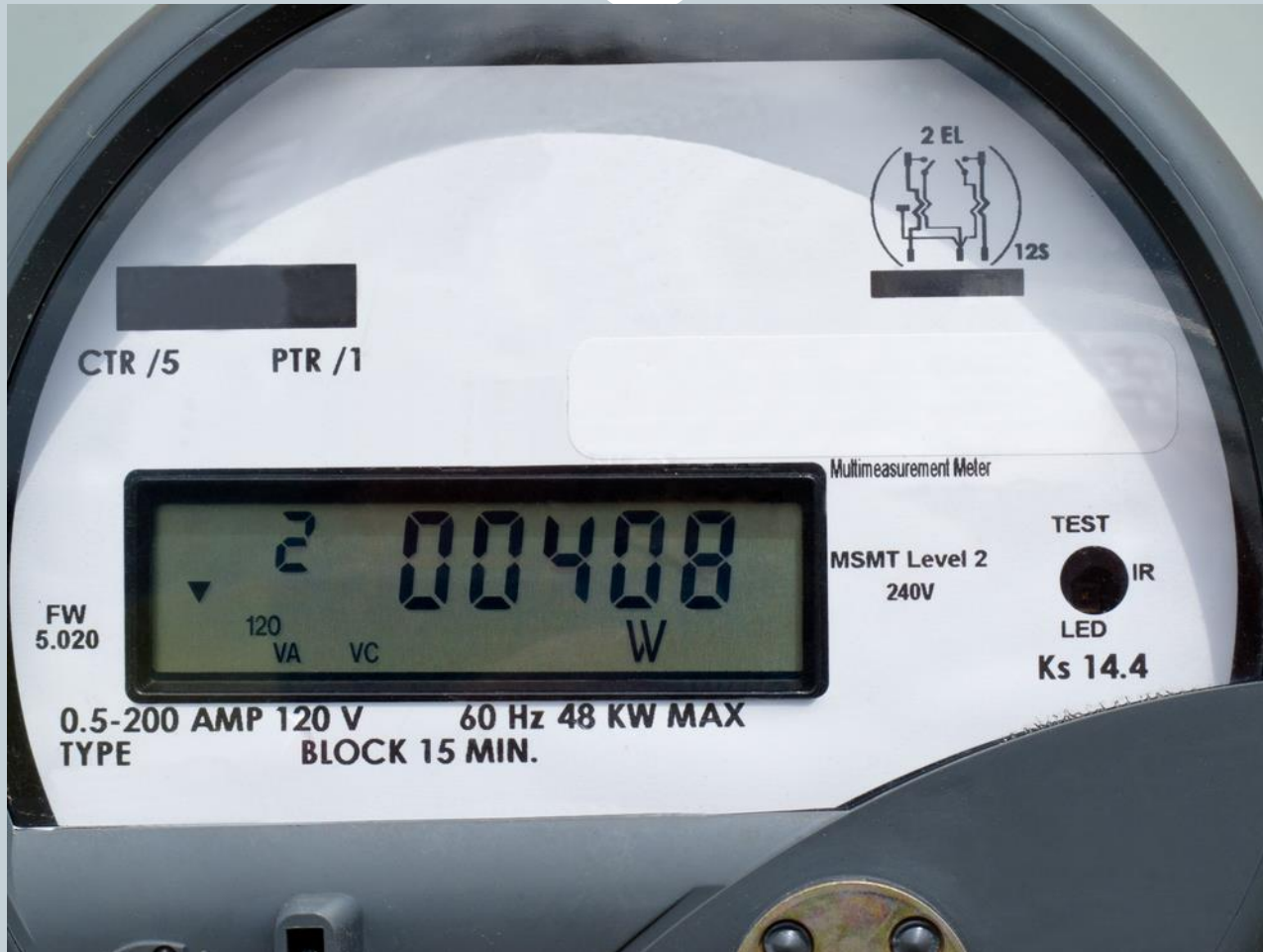
- Working with ADEQ in multiple stakeholder groups
  - Technical Workgroup
  - Vulnerable Communities Outreach Advisory Group
- EPIC is researching
  - Reliability
  - Economic impacts
- Preliminary results show that AZ's compliance gap is small regardless of rate or mass plan, but some plans present more opportunities than others.

# Clean Power Plan cont'd



- Download our summary brief sheet here  
<https://energypolicy.asu.edu/wp-content/uploads/2015/11/CPP-Final-Rule-Brief-Sheet.pdf>
- See our latest powerpoint to ADEQ's Technical Workgroup here
- Go to ADEQ's Clean Power Plan stakeholder website for all meeting notes and presentations

# Rate cases



# UNS Ratemaking Case



- Important rate case because APS and TEP both have rate cases later this year.
  - Many interested parties, including major utilities and solar companies, are participating.
- UNS proposes to lower subsidies provided to DG customers by:
  - 1) Implementing a three-part rate design, adding a demand charge to residential customers during the peak hour.
  - 2) Modifying the current net metering tariff for new DG customers by compensating at the Renewable Credit Rate of 5.84 cents per kWh.

# Federal ITC and PTC Extension





# What is the ITC and PTC extension?



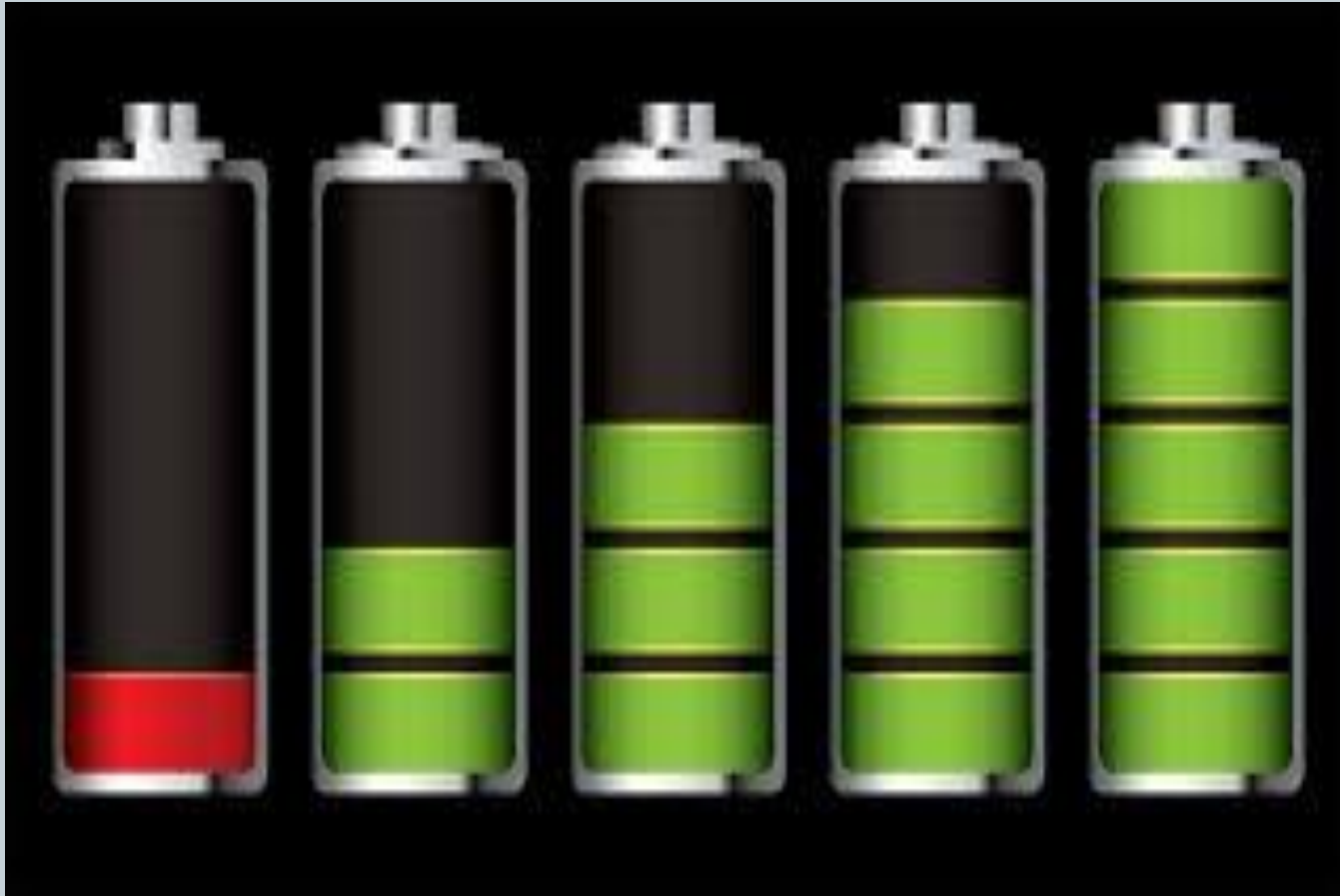
- Consolidated Appropriations Act
  - 30% tax credit for qualifying solar facilities to 2019, value is slowly phased out until 2022
  - current PTC for wind and other qualifying facilities is extended for another year and value is incrementally reduced until phase out in 2020

# Choosing ITC vs. PTC



- ITC provides immediate 30% benefit via income tax credit
- PTC is only available for 10 tax years starting with the in-service date
- While PTC has potential to provide greater benefits under optimal circumstances, there is greater risk of PTC's being less beneficial than ITC's

# Energy Storage



# What is it & why is it important?



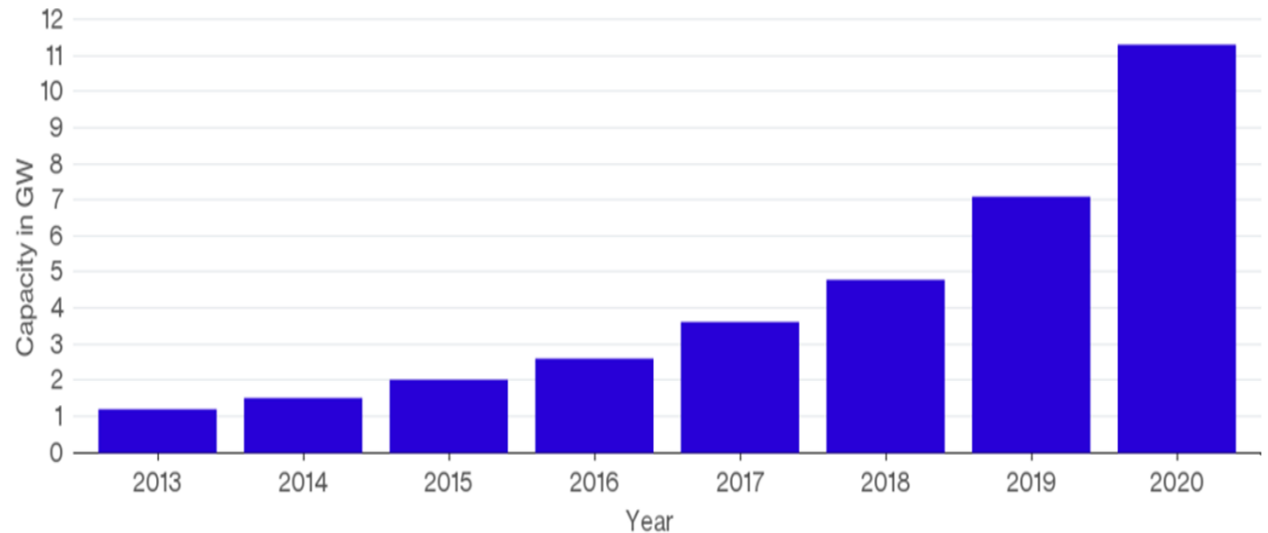
- Utilities can save money by shaving peaks through the use of energy storage.
- Solar + storage, the energy generated can be used during peak hours when prices of energy are highest or for use in case of emergency.
- Renewables are intermittent sources of energy. Energy storage presents an opportunity to solve this problem by smoothing out the supply of renewables.
- Brief sheet: [https://energypolicy.asu.edu/wp-content/uploads/2014/03/California-Energy-Storage-Framework-and-Design-Program\\_Final.pdf](https://energypolicy.asu.edu/wp-content/uploads/2014/03/California-Energy-Storage-Framework-and-Design-Program_Final.pdf)
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# Projected Growth of Energy Storage



## Global Storage Capacity to Reach 11.3 gigawatts By 2020

Largest Growth Seen From 2019 to 2020 at 60 percent



# Thank you!



Energypolicy.asu.edu

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