



**MDV-SEIA**

# **MD-DC-VA SOLAR ENERGY INDUSTRIES ASSOCIATION**

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*A Chapter of the National Solar Energy Industries Association*

April 9, 2008

To Whom It May Concern

Maryland, District of Columbia and Virginia Solar Energy Industries Association has experienced the various solar and broader renewable energy policies and incentive programs that exist today within the US and overseas. We have been forced to support implementation of Renewable Portfolio Standard Programs, RPS, in MD and in the Nations Capital due to pressure from the environmental community and the fact that other States have RPS laws and there was more comfort in following others lead. Frankly, our opponents didn't believe we would endure the legal and regulatory hurdles that an RPS requires when in fact it provides more benefits to other technologies namely wind power and biomass or waster to energy plants. However, we are persistent.

We have concluded that the most cost-effective policy tool in delivering the rapid deployment of solar energy while ensuring a healthy and sustainable industry in Virginia and most likely in Florida are energy feed-in payments or production-based incentives. A feed in tariff much like rate basing a power plant, implies that we all share in the cost because we all get benefits of this generation and even more so since it's clean. We know and are witnessing the pent up demand that exists today to develop a vibrant solar and broader renewable energy industries that will create jobs and wealth within our region and Florida. Florida's abundant solar resources; improves Florida's energy security by lessening its reliance on imported fossil fuels; and helps the state achieve its longer term environmental objectives in reducing greenhouse gas emissions and achieving its longer term RPS goals. These feed-in policies have proven to be the world's most successful policy tool for delivering large quantities of renewable generation quickly. It engenders competition by allowing everyone to participate by becoming a renewable energy producer. The long-term nature of the purchase contracts encourages significant amounts of low-cost debt financing that reduces overall project costs. Investment in solar energy and other renewable energy technologies will create new wealth for Floridians. The investments will directly benefit the manufacturing, engineering and construction industries, as well as farming and financial services. Most importantly, these policies do not require any state support or funding.

As Executive Director of MDV-SEIA I honestly believe the Florida legislature should consider these policies immediately to create a cleaner and wealthier future for your state. We will be following that approach throughout the interim in Virginia and hope to pass similar legislation next year. Together we can build production volumes that will reduce costs so that the crossover point is achieved sooner than expected and solar will be the least cost technology available and the grids will be empowered by distributed generation.

Sincerely,

Peter Lowenthal, Director