

Washington Value of Solar Study

The surge in popularity of solar energy has raised concerns about whether individuals who do not use solar power are subsidizing those who have adopted it, a phenomenon known as "cost shifting." Conversely, some argue that the benefits of rooftop solar energy to the power grid outweigh any associated costs, ultimately benefiting the entire grid. As the number of rooftop solar installations continues to increase, it is vital to conduct a comprehensive analysis to establish which perspective is the most accurate.

Determining whether rooftop solar power provides more benefits or drawbacks to the grid is a complex task. Additionally, the calculation of solar energy's value varies from state to state and even between utility companies within a state, making it critical to conduct a study that specifically focuses on the state of Washington.

That is the reason why WASEIA, in partnership with Puget Sound Energy (PSE), lawmakers, and other interested parties, recently advocated for funding to conduct a thorough investigation that considers both the expenses and benefits of rooftop solar panels. The analysis will be conducted in an impartial and rigorously reviewed scientific manner by the Washington Academy of Sciences (WAOs). It will involve research that not only examines the historical prices of solar energy and utility electricity, but also takes into consideration the significant drop in solar prices over the last decade, and acknowledges the fact that the power grid of the future will be vastly different from the grid of the past.

Why is a Value of Solar Study Important?

The importance of conducting a Value of Solar (VoS) study may differ slightly from how many individuals might interpret it. A VoS study goes beyond simply evaluating the direct benefits and advantages of distributed solar power generation. It also assists state and grid regulators in comprehending the economic, societal, and environmental contributions that decentralized solar energy can make towards the development of Washington's electric grid. This understanding will play a crucial role in determining a quantifiable value that can be utilized by the industry, utilities, and regulatory bodies to establish the financial worth decentralized solar power generation provides for ratepayers and consumers through Net Metering.

The primary result of this research will be the creation of a just and unbiased payment plan for solar energy users who participate in net metering. Moreover, the findings from this study will serve as a blueprint for future compensation methods for net metering for all 60+ utility companies within the state. This will guarantee that each utility company utilizes a consistent approach when deciding how to handle customers who opt for solar energy. Additionally, it will support the formulation of policies and regulations that encourage the widespread adoption of solar power, resulting in a cleaner and more sustainable energy future for the state.