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Presentation to National Association of State Energy Officials on Energy Storage, Renewable Power, and Demand Response: Have we Arrived at a 100% Solution?

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# Overview

- CRES has free market-oriented policy approach
- There is a lot of inertia in energy generation, transmission, distribution, and consumption
- A 100% solution for energy storage, renewable power, and demand response is technically achievable
- The speed at which we get there depends on policies for better matching supply to demand
- Market-based mechanisms will help
- Retail choice and net metering are two vital ingredients for reshaping the market ... and empowering individuals to drive the shift towards clean energy

# CRES' policy approach

- Implement the cleanest, lowest-emitting technologies available:
  - Nondiscriminatory / all-of-the-above approach to energy (by government)
  - Encourages fiscal responsibility and limited government
  - Empowers individual/consumer choice
  - Encourages market-based competition
  - Actionable



**75%** OF VOTERS FAVOR THE GOVERNMENT PLAYING A ROLE IN THE DEVELOPMENT OF CLEAN ENERGY SOURCES.



**75%** OF MILLENNIALS WOULD SUPPORT AN ELECTED OFFICIAL OR CANDIDATE WHO SUPPORTS CLEAN ENERGY.



**77%** OF HISPANICS WOULD SUPPORT AN ELECTED OFFICIAL OR CANDIDATE WHO SUPPORTS CLEAN ENERGY.



**57%**

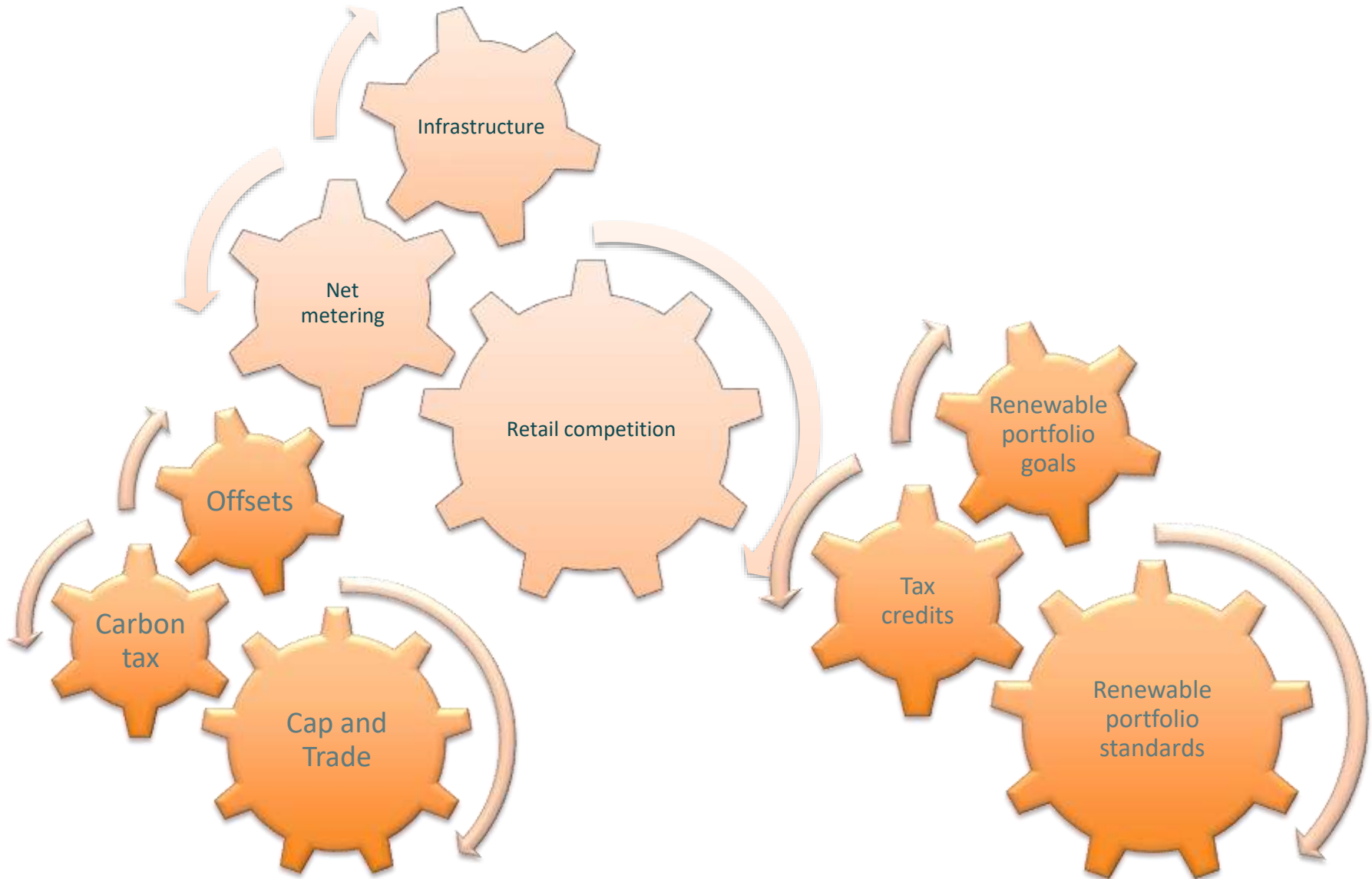
**OF CONSERVATIVES WOULD SUPPORT AN ELECTED OFFICIAL OR CANDIDATE THAT SUPPORTS CLEAN ENERGY.**



**52%**

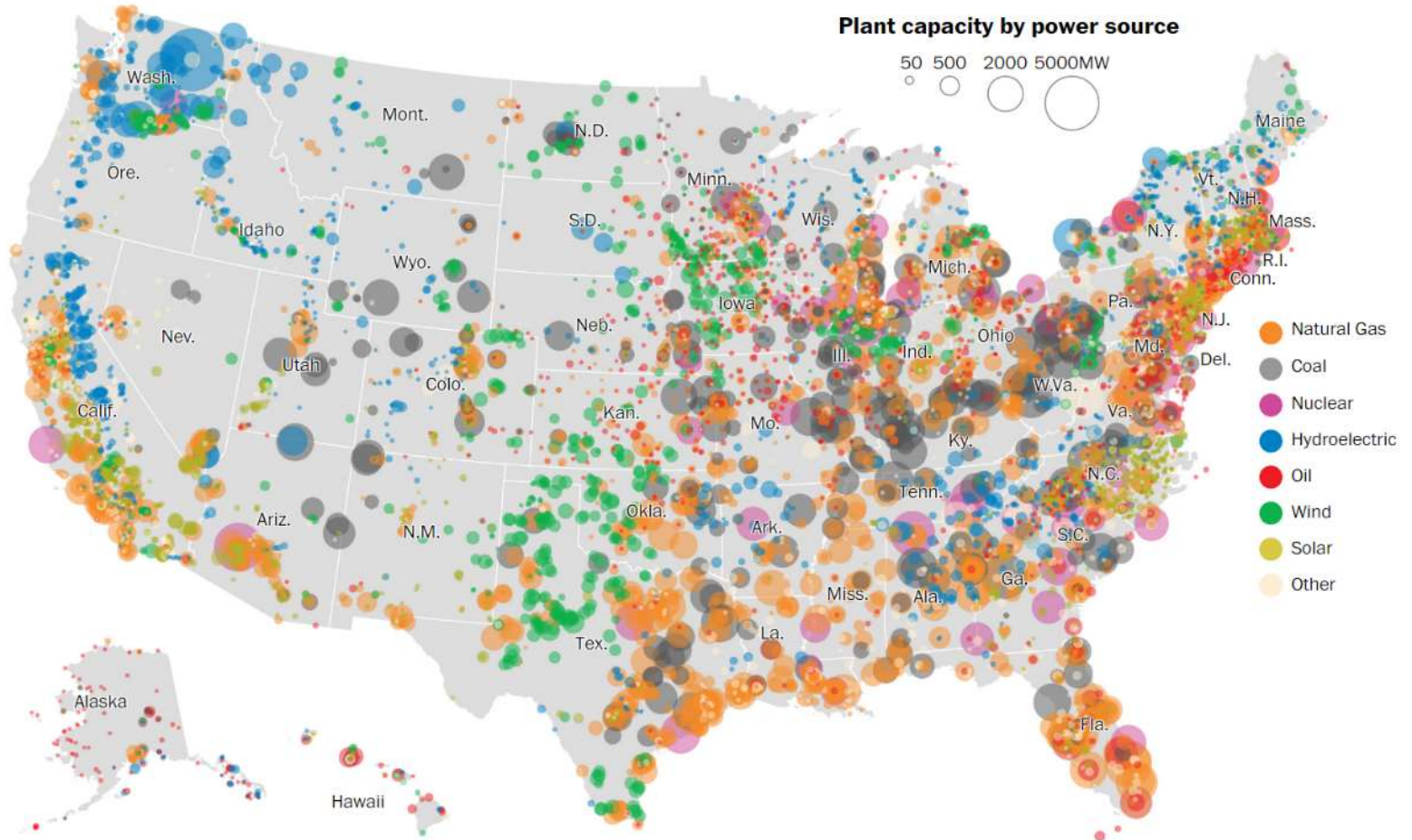
**OF CONSERVATIVES FAVOR TAKING STEPS TO REDUCE EMISSIONS OF GASES.**

# Policies can help match supply to demand





# Power generation INFRASTRUCTURE



[https://www.washingtonpost.com/graphics/national/power-plants/?utm\\_term=.444d350e365e](https://www.washingtonpost.com/graphics/national/power-plants/?utm_term=.444d350e365e)

# Getting there faster

## Retail energy choice

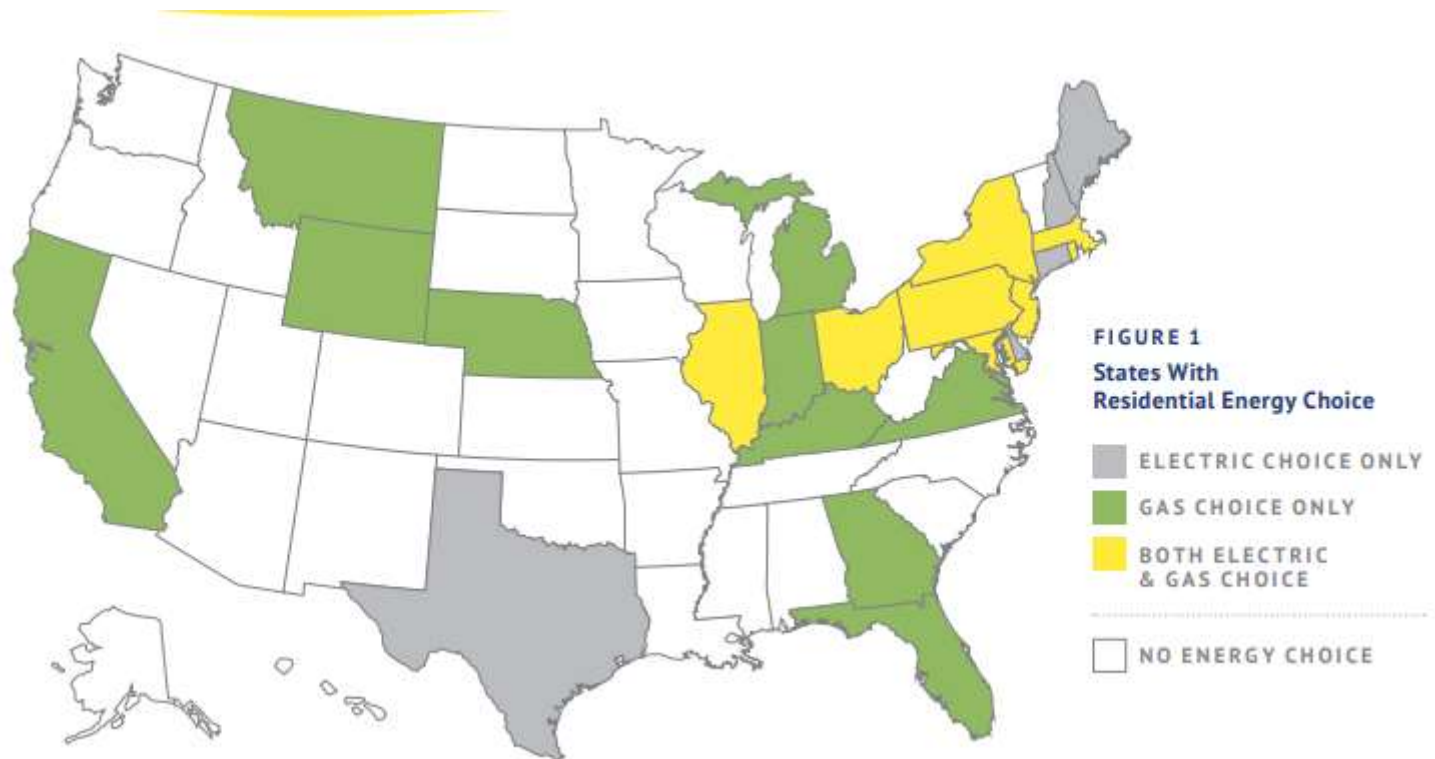
- Energy choice programs allow eligible customers to shop around and choose an electric/natural gas supplier that best suits their needs
  - **SUPPLIER:** Obtains sources of energy for you
  - **UTILITY:** Delivers your energy to you

## Net metering

- Net metering is the reimbursement for excess distributed generation energy supplied back to the grid
  - According to [GTM Research and the Solar Energy Industries Association](#), residential net-metered solar grew 19 percent in 2016



# Some states allow more choice than others

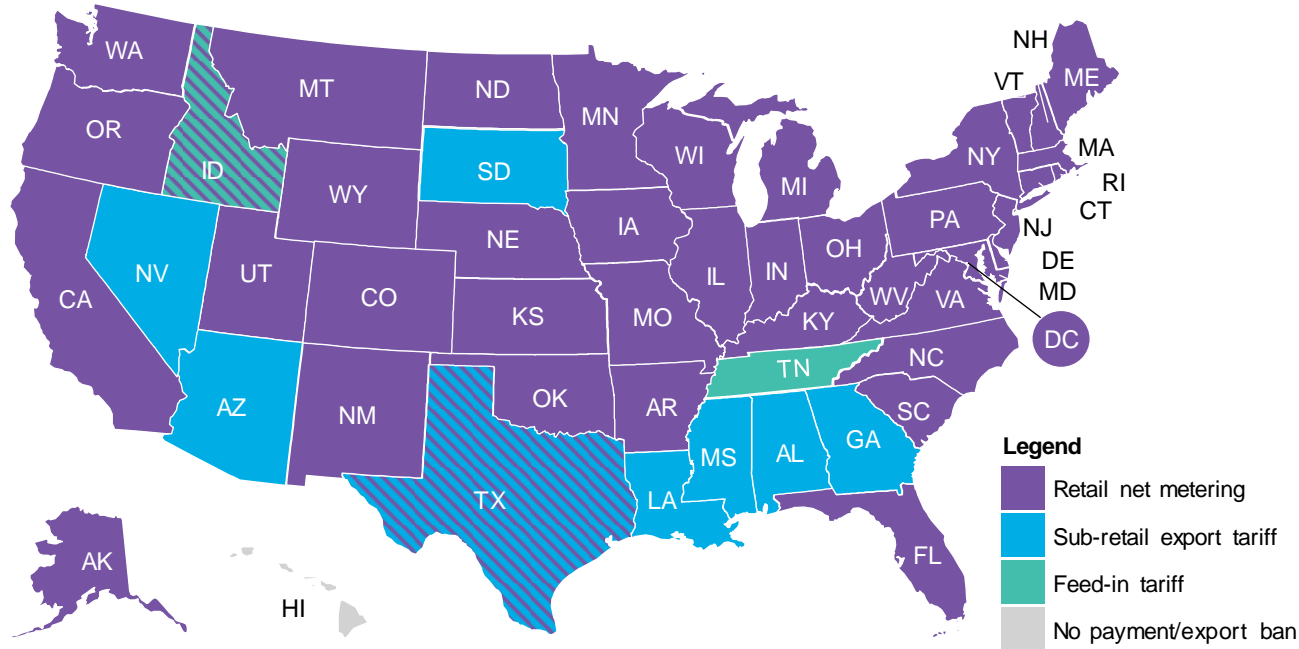


<http://competitiveenergy.org/consumer-tools/state-by-state-links/>

# The value of choice extends beyond cost

- The value proposition includes:
  - Price
  - Fixed-term agreements
  - Access to energy efficiency products and services (bundles)
  - Renewable energy

## Net metering is widespread, but important details vary



- As of August 2017, net metering at the full retail rate is available to most customers within 40 states and D.C. Net metering has been discontinued in three states over the past year and proposals are being considered in a number of other states.
- Arizona, Indiana and Maine formalized plans to transition away from retail-rate net energy metering in the past year, joining Hawaii, Louisiana and Nevada. The replacement schemes vary: Arizona will compensate small-scale PV systems at the five year average utility-scale PPA price, and only for 10 years; Indiana will only offer net metering to systems connected before 2022; and Maine will phase down the value of a net metering credit by 10% each year starting in 2018.

Source: Bloomberg New Energy Finance, DSIRE

Infrastructure policy, retail choice, and net metering are vital ingredients for reshaping the market

- Clean energy must be a strategic priority in infrastructure policy
- Retail electricity prices in Texas have been falling since 2008
  - Leads the nation in wind-powered generation capacity with more than 21,450 megawatts
  - Wind + solar is close to 20 percent of generation
- South Carolina will hit the 2 percent net metering cap years earlier than expected



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