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K&L Gates’ ReNEWS Southeast – Volume 14

K&L Gates reports on the latest renewable energy policies and activities in the southeastern United States.

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K&L Gates’ ReNEWS Southeast is a monthly update that tracks key developments in renewable energy policy, activities, and technologies that are driving the industry forward.

After High Price 15 Years Ago, Solar Power Now Cheapest Energy in the World

- On February 21, 2020, [National Public Radio](#) (“NPR”) [reported](#) on the immense drop in price of solar panels since 2006. In the piece, NPR interviewed Ben Ho, the top energy economist in President George W. Bush’s administration. Ho recalled that fifteen years ago, the cheapest energy source was coal, with energy priced at five cents per kilowatt hour (kWh) while solar was 20 times more expensive at a dollar per kWh. Today, electricity from solar generation costs four cents per kWh and is the cheapest form of energy nationally and across the world.
- The decrease in price is the result of several actions, according to the reporting. First, government subsidies at the state and federal level decreased the costs for businesses and individuals to develop solar projects. Second, companies developing solar energy technologies began to compete and focus on cutting costs resulting in cheaper, more efficient, solar panels. These initiatives and innovations occurred gradually over nearly two decades, but looking back the price dropped by “a magical amount of money,” according to Ho.
- Currently, the U.S. energy make-up does not reflect this change. Solar power only accounts for two percent of the energy consumed in the U.S. However, Ho is optimistic for the continued rise of solar power, noting that now “economics is on its side.”

Virginia General Assembly Finalizing Major Renewable Legislation With 100% Clean Energy Goals, Regional Cap and Trade, and Large Energy Storage Target

- On Tuesday, February 11, 2020, both the Virginia Senate and House of Delegates passed versions of the [Clean Economy Act](#) along narrow partisan lines. Currently, the Virginia General Assembly is conferencing to work out the differences between the bill versions. Some key differences between the bill versions include the House Bill calling for 100% clean energy by 2045 versus the Senate’s deadline of 2050. The House Bill also includes a mandate that if greenhouse gas reductions are not on target by 2028, there will be a moratorium on new fossil fuel-fired facilities in Virginia by 2030. Other key provisions, such as joining the [Regional Greenhouse Gas Initiative](#) (i.e., the 10-state cap and trade agreement) and 2.4 GW energy storage target by 2035 are expected to be in the final version considered by the General Assembly.
- With less than a month left in the legislative session, a final version is expected soon and Gov. Ralph Northam is expected to sign any resulting bill into law. The legislation maintains support from Virginia’s largest utilities, but some Democrats have voiced concern over the cost to consumers in implementation of the clean energy goals. Republican opposition to the bills has been uniform.

City of Charlotte to Coordinate 35 MW Solar Farm to Further Sustainability Goals

- The City of Charlotte's City Council [voted on February 24, 2020](#) to take advantage of Duke Energy's [Green Source Advantage Program](#) to coordinate the installation of a 35 MW solar farm in nearby Iredell County.
- The Green Source Advantage Program, an evolution of what was previously the Green Source Rider program, is an offshoot of [2017 renewable energy reforms](#) enacted by the North Carolina General Assembly. It allows certain large-scale customers to negotiate directly with solar developers and enter into a multi-party agreement with the developer and utility.
- Charlotte will partner with [Carolina Solar Energy](#) and [Ecoplexus](#) for the project, which is expected to be operational by 2022. This project furthers the City of Charlotte's [Strategic Energy Action Plan](#), which sets goals of becoming a low-carbon city by 2050 and of running city fleet and facilities entirely on zero-carbon sources by 2030.

New Dominion Energy Project in Virginia to Support Facebook Renewable Energy Goals

- Dominion Energy and Facebook [announced](#) on February 13, 2020, that they will partner on a new 100MW solar facility in Greensville County, Virginia. The facility, called Sadler Solar, was approved by the Virginia State Corporation Commission on Jan. 22, 2020, and is expected to become operational by the end of 2020. Dominion Energy will build, own and operate the facility, and Facebook will purchase the environmental attributes generated.
- The project furthers [Facebook's goal](#) of powering its operations with 100% renewable energy in 2020, and [Dominion's goals](#) of achieving net zero emissions by 2050 and of putting 3,000MW of new solar and wind generation capacity into operation or development in Virginia by 2022.

Virginia State Corporation Commission Approves State's First Battery Storage Projects

- The Virginia State Corporation Commission on approved [the state's first four utility-scale battery storage projects](#) in the Commonwealth of Virginia, to be located in Powhatan County, Hanover County, and New Kent County. The four pilot projects in total will provide 16 MW of battery storage. Two of the projects totaling 12 MW will be located at the Scott Solar facility in Powhatan County to study how to optimize production of the solar facility. The other two projects will be located at substations to evaluate how storage facilities can add stability to the electricity grid.
- These projects are enabled by the [Grid Transformation & Security Act of 2018](#), which included reforms to cost-benefit testing for renewable energy projects and granted utilities the flexibility to spend excess profits on modernizing the state's energy grid, renewable energy projects, and energy efficiency programs.

Maker's Mark and Kentucky Utilities Team up on New Solar Array

- [Maker's Mark](#) and [Kentucky Utilities](#) Company ("KU") entered into a partnership allowing KU to construct a [560-panel solar array](#) on the Maker's Mark property in exchange for a monthly fee and bill credits for energy produced by the solar array. The project went live in early February, producing power for Maker's Mark's bourbon distilling operations. The solar array is expected to produce 268,000 kilowatt-hours per year.
- The Maker's Mark project is one of a number of projects in the [Business Solar Program](#), a program spearheaded by Kentucky Utilities and [Louisville Gas and Electric](#), that allows businesses to partner with utilities to promote renewable energy goals.

Georgia Co-Op to Install a 1.85 MW Solar and 4 MWh Storage Project

- [Cobb EMC](#) and its subsidiary, [Gas South](#), broke ground this month on a 1.85 MW solar and 1-MW/4-MWh storage facility Marietta, Georgia. The Georgia natural gas provider and electric cooperative have partnered to provide Cobb EMC with solar and battery output for 10 years and to enable Cobb EMC to share solar energy back to the grid.
- Cobb EMC plans to add three smart flowers—ground-mounted solar systems that track the sun—in April that will provide an additional 13,140 kWh of energy. [Creative Solar USA](#) and [Northern Reliability](#) developed the rooftop solar and energy storage systems, which are slated for completion by May 2020.

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