

# Solar Power: Know Your Rights\*

Across the South, people are increasingly turning to homegrown, affordable solar power to meet their energy needs. Everyone should have access to this abundant resource, which will help the South create stronger, cleaner and healthier communities. But in many places, the right to go solar is coming under attack, as some utilities feel threatened by solar's emergence as a viable choice for their customers. Therefore, it is important that solar customers understand their rights.<sup>1</sup>

1

## Right to Go Solar

All Southerners should be able to benefit from clean energy, regardless of their income, where they live, or whether they own their own home. Thoughtful program design can make solar power available to everyone. For example, we encourage utilities to adopt Community Solar programs that allow customers who cannot install solar at their residences due to shading, lack of ownership or other barriers to access solar in their communities and see savings on their utility bills. SELC's Community Solar Best Practices guide provides additional program design recommendations and examples of successful programs.<sup>2</sup>

2

## Right to Control Your Energy Use

Each person has the right to choose how much energy to purchase from their utility, how much to self-produce using solar, and how much to save using measures that reduce consumption from the grid. Although many utilities in the South have a monopoly over electric service in their territory, they do not have the right to restrict customers' decisions about how to manage their energy use on their own property, and they cannot force you to buy a certain amount of their product.

3

## Right to Fair Rate Treatment

Each person has the right to be protected from unfair charges when they go solar.<sup>3</sup> Utilities may not unfairly penalize customers for buying less power when they decide to invest in solar and energy saving technologies. Rather, utilities must base their rates on their actual cost to serve customers, grounded in transparent data, and those rates must be fair and nondiscriminatory, considering the full benefits that customer-sited solar provides to the grid.<sup>4</sup>

4

## Right to Connect to the Grid

Each person has the right to interconnect their solar system to the utility grid without discrimination.<sup>5</sup> Unfortunately, many utilities have yet to adopt interconnection standards that ensure their customers' solar systems can be connected to the grid without unreasonable delays, while ensuring safety and reliability. The Interstate Renewable Energy Council (IREC) has published model interconnection guidelines, which can serve as a guide for utilities developing interconnection standards.<sup>6</sup>

5

## Right to Fair Compensation

When a customer's solar system produces more power than the customer can consume on-site, utilities are required to compensate that customer for the solar generation that the customer sends to the grid, at a fair value.<sup>7</sup> Often, the price that utilities offer to pay customers ignores the full benefits that solar provides to the grid. These benefits include lowering utilities' fuel costs at peak times, avoiding the need for costly new power plants, taking stress off the transmission system, and decreasing utilities' costs to comply with environmental laws. Net metering is a simple, straightforward way for utilities to give customers credit for the host of benefits provided by rooftop solar. Model net metering rules from IREC serve as a guide for utilities developing a net metering policy.<sup>8</sup> Additionally, Vote Solar and IREC's annual Freeing the Grid report provides details and grades for state-by-state net metering policies.<sup>9</sup>



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Rights

For further information, please contact:



Southern  
Environmental  
Law Center

SouthernEnvironment.org

Katie Ottenweller  
Staff Attorney and Leader of Solar Initiative  
Southern Environmental Law Center  
kottenweller@selcga.org

## ENDNOTES

<sup>†</sup> The content on this website is intended to provide general information about legal issues for informational purposes only, and should not be relied on or considered as legal advice on any particular set of facts or circumstances. You should contact an attorney for advice on specific legal issues. Transmission of this information is not intended to create, and receipt does not constitute, an attorney-client relationship.

<sup>1</sup> For regulators and utility representatives, additional Distributed Generation Guiding Principles endorsed by SELC may be instructive and can be found at [Votesolar.org/policy-guides/rooftop-solar-policy-guides/guiding-principles/](http://Votesolar.org/policy-guides/rooftop-solar-policy-guides/guiding-principles/).

<sup>2</sup> Southern Environmental Law Center, "Community Solar: Best Practices for Utilities in the South" (2015), available at [https://www.southernenvironment.org/uploads/publications/CommSolar\\_Utility\\_Best\\_Practices.PDF](https://www.southernenvironment.org/uploads/publications/CommSolar_Utility_Best_Practices.PDF). See also see Interstate Renewable Energy Council, "Community Solar: Diverse Approaches for a Common Goal" (2012), available at <http://www.irecusa.org/community-shared-solar-diverse-approaches-for-a-common-goal/>.

<sup>3</sup> 16 U.S.C. § 824a-3(c); 18 C.F.R. § 292.305. Utilities must follow these federal requirements, no matter how small a PV system is. 18 C.F.R. § 292.204.

<sup>4</sup> Id.

<sup>5</sup> 18 C.F.R. § 292.306.

<sup>6</sup> Interstate Renewable Energy Council, "Model Interconnection Procedures" (April 2013), available at <http://www.irecusa.org/model-interconnection-procedures/>.

<sup>7</sup> Utilities must compensate customers with at least the avoided cost of energy. 16 U.S.C. § 824a-3(b); 18 C.F.R. § 292.304. Many utilities that recognize the value that customer-generated solar power provides compensate customers through net metering.

<sup>8</sup> Interstate Renewable Energy Council, "Model Net Metering Program Rules" (2009), available at <http://www.irecusa.org/regulatory-reform/net-metering/>.

<sup>9</sup> Interstate Renewable Energy Council and Vote Solar, "Freeing the Grid" (2014), available at <http://freeingthegrid.org/#download-ftg/>.