



# SEPA

solar electric power association

# MEDIA STATEMENT

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**Contacts:** Josephine Mooney, Director of Communications & Marketing  
(202) 559-2024, [jmooney@solarelectricpower.org](mailto:jmooney@solarelectricpower.org)  
Christy Herig, Regional Director – Eastern U.S.  
(727) 543-1285, [cherig@solarelectricpower.org](mailto:cherig@solarelectricpower.org)

## ***Duke Energy and State Regulators Reach Agreement on Utility-Owned Distributed Solar Program***

### ***New “Distributed Solar Power Plant” Model Moving Forward in North Carolina***

The Solar Electric Power Association (SEPA) commends the leadership of Duke Energy for finding common ground with the North Carolina Utilities Commission and reaching an agreement to move forward on the proposed \$50 million utility-owned distributed photovoltaic (PV) program, the first of its kind in the southeastern United States. Under the terms of the agreement, Duke Energy will commission up to 10 megawatts of roof- and ground-mounted PV systems located on utility property, businesses, and homes, leasing customer roof space with the PV systems sending all of the electricity back into the electric grid. The customer’s electric bill will remain unchanged but they will receive economic compensation from the lease.

This “distributed solar power plant” model, where a large aggregate of solar is installed in smaller, geographically dispersed locations, has been proposed by a handful of other utilities in California and the Northeast, each of which is vetting their particular program design idea through regulatory commissions.

“Since becoming eligible to take advantage of the federal solar investment tax credit, several utilities have announced large commitments to solar projects,” cites Christy Herig, SEPA’s regional director for the eastern U.S. “The utility-owned distributed PV business model being pursued by Duke Energy has many advantages, including reducing transmission and distribution losses, potentially deferring distribution upgrades, and providing economic benefits to customers who take on no capital risk. Most importantly, utilities are experts at efficient economic project development, thus helping to strengthen the overall solar industry. Regulated utility investment in PV is a relatively new paradigm for both the global solar industry and utility operations personnel. As with all change, stakeholders in the process need to understand the issues and come to fair terms as the solar landscape changes. The approach to Duke’s approval shows a thoughtful balance of these interests.”

New utility solar business models (USBM), such as Duke’s program, will continue to emerge and evolve as utilities and the solar industry develop substantive dialogue and new precedents are set in commission decisions such as this one in North Carolina. SEPA is currently engaged in a USBM project, tracking utility program proposals and providing opportunities for utility and industry collaboration.

To arrange interviews with or comments from Julia Hamm, SEPA executive director, or Christy Herig, SEPA regional director for the eastern U.S., contact Josephine Mooney at 202-559-2024 or [jmooney@solarelectricpower.org](mailto:jmooney@solarelectricpower.org).

**About the Solar Electric Power Association:** SEPA is comprised of over 550 utilities and solar industry members. From national events to one-on-one counseling, SEPA is the go-to resource for unbiased and actionable solar intelligence. Breaking down information overload into business reality, SEPA takes the time and risk out of implementing solar business plans and helps turn new technologies into new opportunities. [www.solarelectricpower.org](http://www.solarelectricpower.org)

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