

February 8, 2019

Anthony J. Hood Chairman DC Zoning Commission 441 4<sup>th</sup> Street, NW, Suite 200S Washington, DC 20001

RE: Emergency Zoning Regulation Text Amendment for Community Renewable Energy Facilities

Dear Chairman Hood:

On behalf of New Columbia Solar ("NCS"), I am writing in support of the Office of Planning's request for an emergency text amendment to the Zoning Regulations regarding community solar installations.

NCS is based in the District of Columbia and was explicitly established to serve the District's solar market and empower the city to achieve its clean energy goals. Our mission is to make it as easy as humanly possible for residents and businesses in the District of Columbia to benefit from solar energy. As Cofounder and CEO I have been involved in the District's Community Renewable Energy Facility ("CREF") efforts since the notion was conceived as a viable policy for the District of Columbia in 2011, the subsequent legislation (2013) and finally the rulemaking process (2016). NCS is a fully-integrated developer, EPC, financier, owner and operator. Founded in 2016, we currently employ over 40 individuals, most of whom are residents of the District. As a company, NCS has been involved with more than 13 megawatts, or nearly \$50 million, of District based solar construction and financing, making us a leading commercial solar developer in the nation's capital.

While the major components of CREF solar systems are no different than those of net-metered ("NEM"), solar systems - where the electricity is or exclusively intended for onsite use - CREF systems do play a critical role in enabling the District to achieve its clean energy goals. CREF enables District residents and businesses to receive more power through solar electricity by overcoming a number of challenges unique to the market. These challenges include older building stock, challenging permitting and interconnection process, credit worthiness of building electricity off-takers, the common utility of *triple-net lease arrangements* across the city, and relatively small market scale. Moreover, current interpretation of the Zoning Regulations will have a particularly consequential effect on the District's Solar for All program ("SfA"), which seeks to provide one-hundred thousand (100,000) low-income residents with electricity from solar energy systems located in the District of Columbia by 2032. The current interpretation of the Zoning Regulations will effectively render the SfA program unviable given the District's time requirements, budget cycle, matched with developer time requirements.

NCS has built our company to solve the challenges of deploying solar across the District and we have built the capacity to construct and finance a large portion of the solar market opportunity. The classification of



Solar Community Renewable Energy Facilities (CREFs) as a "Basic Utility" under the Zoning Regulations is yet another challenge for our core business. As a participant in the Department of Energy and Environment's (DOEE) Solar for All (FfA) program, NCS has a number of CREF projects in our pipeline that are in jeopardy of being permitted, which would be detrimental to the District meeting its ambitious renewable portfolio standard (RPS) and SfA goals. Additionally, our inability to receive permits in an economical and timely manner impedes our business' work flow and our fundamental ability to continue to operate in DC. This has dire consequences on our employees, a majority of which are district residents. Many in our construction crew are hourly workers, reliant on consistent work opportunities. Their livelihood relies on our ability to keep a steady flow of projects moving through our pipeline in a manner consistent with forecasting NEM projects in the District.

Ultimately, as previously mentioned, there is very little difference from a NEM solar system and a CREF. To the layman viewing the system from afar, there would be no appreciable disparity. Only upon careful study of the electrical line diagram or advanced knowledge of the technical characteristics of line-side and load-side interconnection could one determine the system type. From a zoning perspective, there seems to be little need for a distinction in classification. It is also important to note, that the District solar industry is moving in the direction of deploying the majority of solar via CREF and the current interpretation of the Zoning Regulations will fundamentally stifle that transition.

NCS is committed to working with the Zoning Commission to overcome this obstacle and we welcome the opportunity to develop a zoning pathway commensurate with the District's solar energy goals and which will not impede the District's growing solar industry.

Kind regards,

Mike Healy, CEO & Member

Blue Ocean New Energy Ventures, LLC dba New Columbia Solar