



106 North Bronough Street, Tallahassee, FL 32301 floridatxwatch.org o: 850.222.5052 f: 850.222.7476

Senator George S. LeMieux
Chairman of the Board of Trustees

Dominic M. Calabro
President & Chief Executive Officer

Comments to the Honorable Cyndi Stevenson, Chair, and members of the House State Administration and Technology Appropriations Subcommittee regarding HB 741 --- Net Metering

My name is Dominic M. Calabro and I am President and CEO of Florida TaxWatch, an independent, nonpartisan, nonprofit, research institute & government watchdog that, for more than 42 years, has worked hard to improve the effectiveness, efficiency, and accountability of Florida government and promote a fair and equitable system of taxation.

Florida TaxWatch is a strong proponent of increased government accountability, as well as increased renewable energy. Florida is one of 47 states that allows households and businesses that produce power to sell it back to the grid at an established rate. When a rooftop solar power system generates more electricity than the customer can use, the customer receives a credit for the excess kilowatt-hours that goes to the grid. If the rooftop solar power system generates less electricity than the customer needs, the customer must buy electricity from the utility to make up the difference. The customer, therefore, pays for the “net” amount of electricity used (“metered”).

Current net metering provisions permit those who can afford solar energy to sell their excess power generation to their utility at the retail rate charged by their utility for electric service. Those Taxpayers who cannot afford solar rooftop solar panels are paying more for electricity because: (1) they purchase more electricity off the grid than those with rooftop solar panels; and (2) they pay their fair share of the utility’s fixed costs, which is built into their retail rate structure.

Increases in the number of users of rooftop solar energy increases the financial burden on those who cannot afford rooftop solar panels --- the average Florida taxpayer. The Public Service Commission estimates about 90,000 households and businesses in Florida have rooftop solar power with net metering. That represents about one percent of the 8.5 million Florida utility customers. Under the current net metering provisions, the benefits enjoyed by one percent of the state’s utility customers are paid for and subsidized by the remaining 99 percent. This does not seem fair and suggests the need to update the current net metering provisions.

We look forward to working with you and your colleagues as we continue to make Florida government more accountable to our taxpayers.