

GRU Solar Feed In Tariff Program

End of the Year Wrapup (as of 12/31/09)

The Statistics

Projects Installed and Completed

Commercial	18
Residential	9
Total	27

Projects In Process of Installation, Uncompleted

Commercial	12
Residential	1
Total	13

Capacity Installed and Completed

Commercial	498.84 kW
Residential	64.91 kW
Total	563.75 kW

Capacity In Process of Installation, Uncompleted

Commercial	3422.14 kW
Residential	5.00 kW
Total	3427.14 kW

2010 Projects Completed Early	7
Capacity	136 kW

2010 Projects Queued	14
Capacity	3226.85 kW

FIT payments to date	\$93,440.32
Energy produced	331,088 kWh

Discussion

The majority of projects, representing small-scale rooftop systems, were installed with little difficulty. Rooftop PV systems are naturally limited in size relative to the buildings they are installed upon, and in all cases no distribution-side improvements were necessary to accommodate these systems. Electrical design was straightforward, and engineering approval was forthcoming, leading to timely and efficient installation of these projects.

However, three large scale commercial projects representing over 3 MW of the planned capacity for 2009 have encountered a number of unforeseen delays.

Two of these projects are ground-mounted solar farms and have experienced a series of delays due to issues related to land development and planning review. Since these are the first such installations to be constructed in Alachua County, both city and county planning staff have wrestled with the interpretation of existing land use codes when developing these types of projects. Issues surrounding wetlands use and mitigation, possible interference with aircraft flight paths, rules regarding water use and runoff, the clearing of trees and vegetation, emergency vehicle access, and many others have had to be considered and re-thought in terms of how they apply to a solar farm. Needless to say, this learning experience has been very valuable for everyone involved, but has also introduced unanticipated delays for these projects.

The two solar farms have also experienced additional unforeseen costs that have at times threatened the financial viability of the projects. Extra costs for engineering and environmental mitigation have been experienced, as well as surprisingly high hurricane insurance premiums. Insurance underwriters in Florida have little or no experience with offering casualty insurance on solar farms, and the hurricane threat has caused premiums to be far higher than anticipated.

The third large project consists of nearly 2 megawatts of roof-mounted solar on one of the largest shopping plazas in Gainesville. The buildings at the location had to undergo roofing repairs in the fall before the solar installation could begin. Due in great part to the economic recession, the retail tenants did not want to risk any down-time during the holiday shopping season, placing the project on hold until January, 2010. While on hold, the project financier has attempted to renege on their agreement to finance the project. Litigation is underway by the project developer to enforce the agreement, while at the same time they are seeking alternative sources of financing to continue to project.

GRU expects these remaining projects to be completed in the next 3-6 months. We've learned a lot during the first year and hope to use that to our benefit in making this next year's projects go much more smoothly.