

WHY a Production Based Incentive Policy Works

A residential solar electric (pv) system may cost \$20,000 to \$40,000

Not feasible for many people

Under a Production Based Incentive policy the up front cost may be only **\$3,000 to \$5,000**

BECAUSE

Utility companies would be required to provide a long term contract to pay a profitable price for the renewable energy produced.

Banks will loan money for the project due to the contract from the utility company

Loan payments are covered by monthly payments from the utility for the electric generation of the solar panels.

In about 5 years loan paid off and home owner collects profit

Production Based Incentive (PBI) policy is similar to the popular Feed In Tariff policies that have been very effective in many countries at increasing renewable energy production at least cost to rate payers.

PBIs improve on FIT policies by extending benefits to solar water heating which is the most effective use of solar energy.

50,000 jobs

Created almost immediately if Florida enacts a Production Based Incentive Policy
No tax money needed

Just like the policy at Gainesville Regional Utilities and similar policies in other countries, the industrial response will be overwhelming—
new jobs will be created in:

1. **Banking** to handle the loans for renewable energy systems
2. **Construction** and **Roofing** to install the renewable energy systems
3. **Engineering** and **Architecture** to design the renewable energy systems
4. **Manufacturing** to produce the renewable energy system components
5. **Education** to train Floridians for the renewable energy jobs that are created

All Floridians Will Benefit



YOU

Can Profit From Renewable Energy

Production Based Incentives (PBI) For Homeowners Small Businesses Large Businesses Schools Churches Farmers

Florida Alliance for Renewable Energy
www.FAREnergy.org

The Number 1 Reason That a Production Based Incentive Policy is effective

Makes building a renewable energy project
affordable to many homeowners,
businesses and not for profits too
BECAUSE

Utility companies must provide a long term contract to pay a **profitable price** for the renewable energy produced
Banks will loan money for the project due to the contract from the utility company

Investing now to increase renewable production is critical because within several years the cost of fossil fuels is likely skyrocket and along with this cost is the serious cost to our security and the risk of climate change.

In Florida the investor owned utilities, FPL, Progress, TECO and Gulf Power are allowed to set their rates to guarantee their stock holders a significant profit. In order to get investment in renewables there must be a fair chance at a reasonable profit.

A Production Based Incentive provides a fair chance for renewable energy production.

A PBI is similar to a Feed In Tariff or a Renewable Energy Dividend policy with the added advantage of including incentives for solar hot water, the most efficient use of solar energy.

Your utility rates are going up
Fossil Fuel prices will increase
The cost of building nuclear plants is going up

**Renewable energy production costs
are going down**

How a Production Based Incentive Policy Works

The cost is spread over millions of rate payers the average rate increase will be 1 –2%
(1% increase = \$1 for every \$100 on your bill)

But

Once a solar system is installed there is no ongoing cost for fuel—So price is not subject to spikes in oil, coal, natural gas.

If we stimulate and support NOW the installation of large number of solar pv projects the price of solar panels will come down so that the cost of generating

Solar electricity will be no more and eventually less than fossil fuel generation

The National Renewable Energy Laboratory (US Gov) and the European Photovoltaic Industry Assoc. research shows that this type of policy provided more renewable energy at lower cost than any other policy.

Fossil fuels and nuclear have and continue to receive giant federal subsidies.
Renewables have not been able to compete without similar subsidies

But now without government subsidies and without taxes a PBI policy can get renewables to be not only comparable in cost but within 5 to 10 years lower in cost than fossil fuels and nuclear.

How YOU can help get a Production Based Incentive (PBI) policy for Florida.

- Contact your legislators and let them know that you want a PBI policy in 2010 and send information on what a PBI policy is.
- Inform your business contacts, friends and family about the benefits of a PBI policy. Ask them to contact legislators.
- Join Florida Alliance for Renewable Energy (FARE)

www.FAREnergy.org

What is FARE?

- FARE is an organization working to get a PBI policy for Florida.
- FARE formed in 2009 and made progress during the 2009 legislative session in organizing and informing legislators on the benefits of Feed In Tariff type policies.
- FARE has many business and individual members who are working as volunteers to educate the public and legislators on the economic value of a PBI policy
- FARE is working to raise \$500,000 in order to have a lobbying presence in Tallahassee, educate voters, and provide campaign donation to legislators who support PBI legislation. This is what it will take to get a PBI policy for Florida!

Join FARE

Individual Membership only \$25
Send membership or donations to
Florida Alliance for Renewable Energy Inc.
10990 NE 107th Terrace
Archer, FL 32618
Or Join on line

www.FAREnergy.org