ICMA

SOLAR SURVEY OF LOCAL GOVERNMENTS, 2016

Summary of Key Findings

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SunShot Solar Outreach Partnership publications are based upon work supported by the U.S. Department of Energy under Award Number DE-EE0003526. The U.S. Department of Energy (DOE) SunShot Initiative is a collaborative national effort to dramatically reduce the cost of solar energy before the end of the decade. The SunShot Solar Outreach Partnership (SolarOPs) is a U.S. DOE program providing outreach, training, and technical assistance to local governments to help them address key barriers to installing solar energy systems in their communities.

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SOLAR OUTREACH PARTNERSHIP

SOLAR SURVEY OF LOCAL GOVERNMENTS, 2016

Summary of Key Findings

OVERVIEW

With support from the U.S. Department of Energy, the International City/County Management Association (ICMA) conducted a survey to learn more about the priorities and activities of U.S. local governments related to the adoption of solar energy. Launched in the spring of 2016, this survey was conducted in follow-up to ICMA's 2011 *Solar Survey of Local Governments*. The information collected through these efforts allows for an analysis of changes in the solar energy priorities and activities over the last five years.

METHODOLOGY

A paper questionnaire was mailed to the chief administrative officers of 2,507 local governments across the country. An online submission option was also made available. The sample frame included all jurisdictions that responded to ICMA's *2011 Solar Survey of Local Governments*.

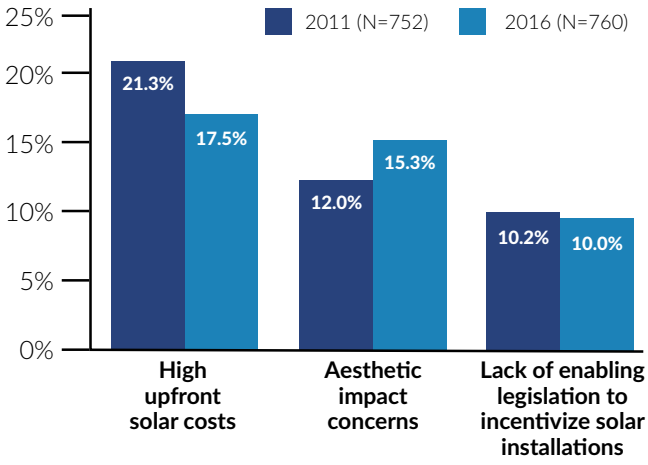
Responses were received from 816 jurisdictions, yielding a response rate of 32.5%. With 816 cases, the results of this survey can be generalized to all U.S. cities and counties with a margin of error of +/- 3.3% at the 95% confidence level. In order to study changes in the solar landscape over the last five years, survey responses were compared among the 816 jurisdictions that responded to both the 2011 and 2016 surveys. Not all respondents answered each question. The number reporting (N) is included for each question and is the basis for the percentages shown.

	Number Surveyed	Number Responding	Response Rate
OVERALL	**2,507**	**816**	**32.5%**
TYPE			
Municipality	1,898	651	34.3%
County	609	165	27.1%
	2,507	**816**	
POPULATION GROUP			
Over 1,000,000	18	7	38.9%
500,000-1,000,000	30	8	26.7%
250,000-499,999	57	24	42.1%
100,000-249,999	146	46	31.5%
50,000-99,999	202	83	41.1%
25,000-49,999	350	88	25.1%
10,000-24,999	599	187	31.2%
5,000-9,999	578	173	29.9%
2,500-4,999	501	193	38.5%
Under 2,500	26	7	26.9%
	2,507	**816**	
GEOGRAPHIC DIVISION			
New England	166	51	30.7%
Mid-Atlantic	235	82	34.9%
East North-Central	453	155	34.2%
West North-Central	369	134	36.3%
South Atlantic	417	142	34.1%
East South-Central	138	30	21.7%
West South-Central	239	71	29.7%
Mountain	215	60	27.9%
Pacific Coast	275	91	33.1%
	2,507	**816**	

SURVEY HIGHLIGHTS

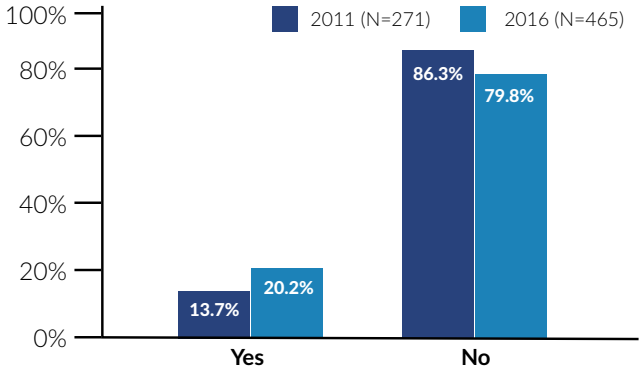
- **High Upfront Solar Costs Declining as a Challenge:** While high upfront solar costs continued to be the most commonly cited challenge to solar energy development, the proportion of respondents citing this as a challenge declined from 21.3% to 17.5% between 2011 and 2016. This decline is likely due to the decrease in the cost of solar energy equipment over this period. According to the U.S. Department of Energy, the average cost of solar PV panels has declined by more than 60%, and the cost of a solar electric system has declined more than 70% since the beginning of 2010.[1]

Top three challenges to solar energy development (Q4)

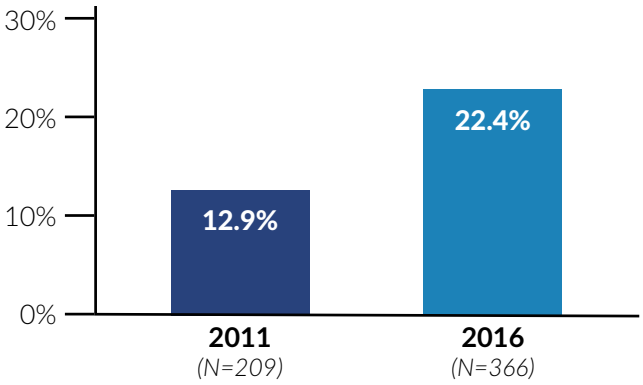


- **Increase in Mechanisms to Expedite Permitting:** In 2016, 20.2% of responding governments reported having mechanisms in place to expedite permitting for solar PV installations, compared to 13.7% in 2011. In addition, the use of e-mail permit submission and online permitting for solar PV projects increased from 2011 to 2016.

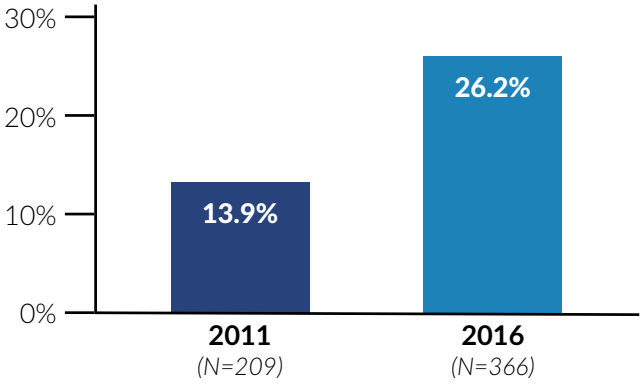
Do you have any mechanisms for expediting permitting for solar PV installations? (Q19a)



Online permitting available (Q21)

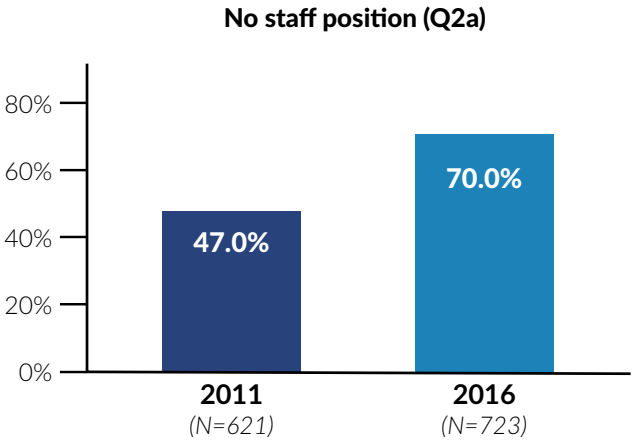


E-mail submission of permits available (Q21)



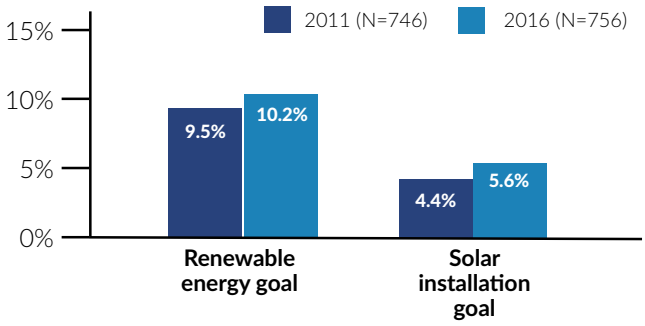
1 SunShot Initiative Fact Sheet, U.S. Department of Energy, June 2016 http://energy.gov/sites/prod/files/2016/06/f32/SunShot-fact-sheet-6-10_final-508.pdf.

- **Decline in Staff Working on Solar/ Sustainability Projects:** The proportion of governments reporting that they have no staff working on solar/sustainability projects increased from 47.0% in 2011 to 70.0% in 2016. This change is likely related to the expiration of federal grants, such as Energy Efficiency and Conservation Block Grants (EECBG) that supported local solar and sustainability efforts.

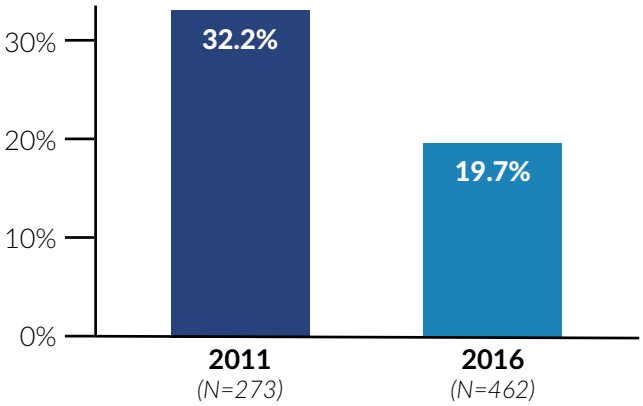


OTHER KEY FINDINGS:

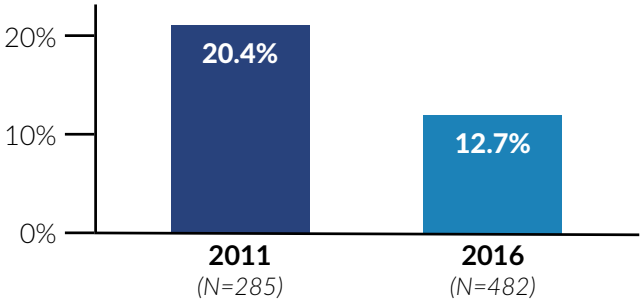
- Overall, responses to the 2016 survey were similar to responses received in 2011.
- Between 2011 and 2016, there was a small increase in the proportion of jurisdictions that had adopted renewable energy goals or solar installation goals. (Q1a)



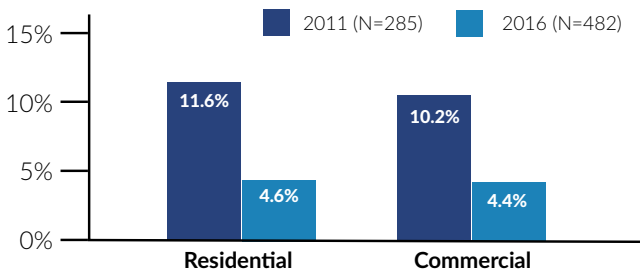
- The proportion of local governments that reported installing solar PV demonstration projects declined between 2011 and 2016. (Q16)



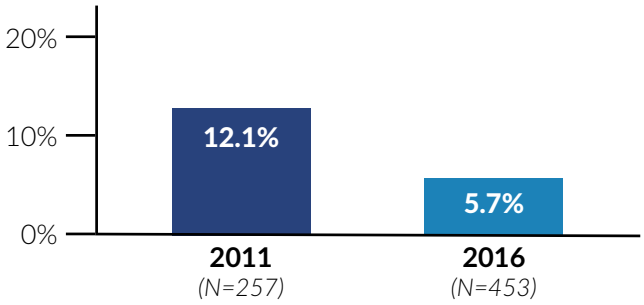
- Between 2011 and 2016, there was also a decrease in the proportion of respondents reporting that the local government or the municipal utility offered financial incentives for installing solar PV. (Q33)



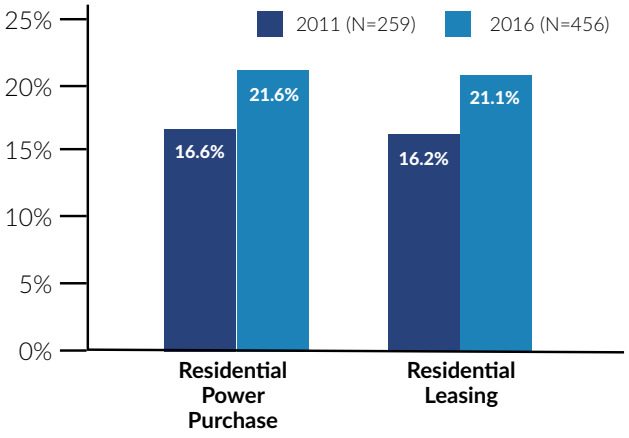
- In 2016, rebates continued to be the most commonly offered incentives for both residential (4.6%) and commercial (4.4%) installations, though both showed decreases from 2011, when they were offered by 11.6% and 10.2% of jurisdictions respectively. (Q34)



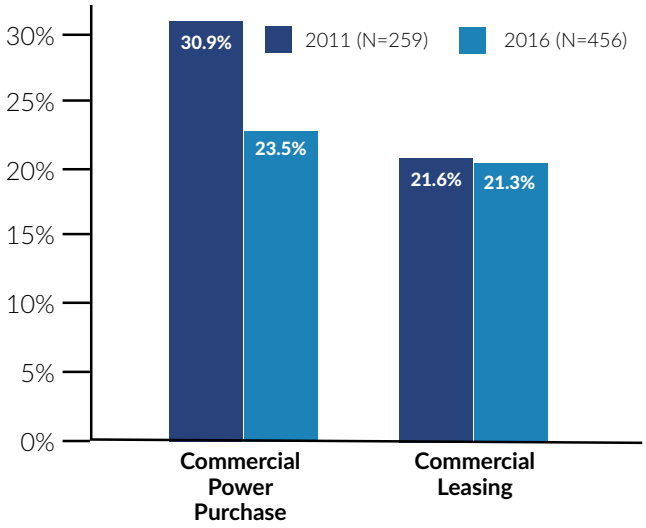
- Between 2011 and 2016, there was a decrease in the proportion of respondents providing incentives for clean energy business to locate in the area. (Q42)



- Between 2011 and 2016, there was an increase in the availability of residential power purchase agreements as well as the availability of residential leasing as a third-party financing option. (Q38)



- Compared to 2011, the 2016 survey responses showed a decrease in the availability of commercial power purchase agreements but little change in the availability of commercial leasing as a third-party financing option. (Q38)



SUMMARY

Overall, trends in local government activities related to solar PV have been relatively consistent between 2011 and 2016. While upfront costs continue to be the most commonly cited challenge, the proportion of governments identifying this as a problem has declined over the last five years, as the market has seen a considerable decrease in the average price of solar energy equipment. Other notable changes over the last five years include a decrease in local governments with staff focused on solar energy and sustainability as well as decreases in the provision of various solar energy incentives. These changes may be associated with funding limitations with the expiration of federal grants supporting these efforts. Nonetheless, the survey results suggest that local governments continue to promote solar energy through the permitting and regulatory functions, with increases in expedited permitting and increased access to residential third party financing options.

ABOUT ICMA

ICMA, the International City/County Management Association, advances professional local government worldwide. The organization's mission is to create excellence in local governance by developing and fostering professional management to build better communities.

ICMA identifies leading practices to address the needs of local governments and professionals serving communities globally. We provide services, research, publications, data and information, peer and results-oriented assistance, and training and professional development to thousands of city, town, and county leaders and other individuals and organizations throughout the world. The management decisions made by ICMA's members affect millions of people living in thousands of communities, ranging in size from small towns to large metropolitan areas.

ICMA

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