

# NEW REPUBLIC

## A War Over Solar Power Is Raging Within the GOP

By: Grace Wyler - November 21, 2013

These days Barry Goldwater, Jr. is on an unlikely crusade. In March, the former California Republican congressman founded Tell Utilities Solar Won't Be Killed, or TUSK, after Arizona's largest electric utility proposed a hefty new fee on solar customers and a plan to lower net metering rates, which dictate how much electric utilities pay solar customers for excess energy sold back to the grid. "Republicans want the freedom to make the best choice," Goldwater said in a statement on TUSK's website. So he cobbled together a ragtag coalition of libertarian-minded conservatives, solar industry advocates, and business groups to wage a colorful guerrilla campaign. In the past few months, TUSK has run ads attacking the electric utility on conservative talk radio and the Drudge Report. They've posted clever YouTube videos, including a song parody sung to the tune of "Total Eclipse of the Heart," "They Totally Think We're Not Smart."

It's a strange campaign not least because it seemed at first like the electric utility's proposal would be a lay-up. Arguing that customers were not paying enough to cover the cost of maintaining the grid infrastructure they use whenever the sun is not shining, the electricity provider—Arizona Public Service, or APS—only needed approval from the state's utility commission, which is 100 percent Republican. And the company generally enjoys strong support among Arizona Republicans. It donated \$25,000 to the Republican Victory Fund in 2012, according to Arizona campaign filings. Four of Arizona's five state utilities commissioners are former members of the American Legislative Exchange Council, or ALEC, which has staunchly opposed renewable energy mandates and incentives. On top of that, APS has spent \$3.7 million to wage a lobbying and P.R. campaign against net metering, according to a recent disclosure filed with state regulators. "As more customers install solar on their homes, it becomes even more important that everyone who uses the grid shares in the cost of keeping it operating reliably for the future," APS CEO Don Brandt said in the company's filing with the state regulatory commission.

And yet the utility faced surprisingly fierce resistance from Arizona conservative activists, including former state GOP chairman Tom Morrissey, former Tempe Mayor and Republican candidate for State Treasurer Hugh Hallman, and an assortment of current and former Republican state lawmakers. "I can't tell you that six months ago we would have seen the success with Republicans that we have seen here now," said Jason Rose, a Republican public relations consultant whose firm is behind the TUSK campaign. "Republicans who oppose solar in the next election, they are going to be wiped out across the board."

“Solar power is philosophically consistent with the Republican Party,” Rose added. “If you're going to be for healthcare choice and school choice, how can you not be for energy choice? Conservatives, overwhelmingly, get that. If the Republican Party stops standing for the empowerment of the individual, what does it stand for?”

Goldwater’s team won a minor victory Thursday, when state utilities regulators narrowly voted to impose an average \$5 monthly fee on new solar customers in Arizona. While the ruling was a compromise for the solar industry, and an acknowledgement that solar users shift power costs to the utility’s non-renewables customers, the new fees are just a fraction of the \$50 to \$100 that APS had asked commissioners to add to solar customers’ monthly bills. “The utilities... showed just how far they are willing to go at any cost,” Goldwater said in a statement Thursday night. “That is the legacy of the Arizona net metering battle—a major loss for APS and its allies.”

Clean energy technology has always been an easy punching bag for conservatives. Propelled by growing strain of global warming denial within their party, Republicans in Congress have proposed to slash funding for renewable energy programs in half this year, and mocked the idea of a green economy as “groovy” liberal propaganda. Their argument, as laid out by House Republicans and libertarian organs like the Cato Institute and *Reason* magazine, is that the federal government shouldn’t “pick winners and losers” in the energy markets or gamble taxpayer dollars on renewable-energy loans to companies like Solyndra, the Silicon Valley solar panel manufacturer that went bankrupt in 2011 after receiving \$535 million in federal loan guarantees. The assumption has always been that, without heavy government subsidies, renewable energy sources like solar and wind power would never be able to compete with fossil fuels.

But something funny has happened to renewables that major power companies and their Republican allies didn’t see coming. Over the past two years, the solar industry has skyrocketed, with one new solar unit installed every four minutes in the US, according to the renewable energy research group Greentech Media. The price of photovoltaic panels has fallen 62 percent since January 2011. Once considered a boutique energy source, solar power has become a cost-competitive alternative for many consumers, costing an average \$143 per megawatt-hour, down from \$236 in the beginning of 2011. Backed by powerful conservative groups, public utilities in several states are now pushing to curb the solar industry, and asking regulators to raise fees and impose new restrictions on solar customers. And as more people turn to rooftop solar as a way to reduce energy costs—90,000 businesses and homeowners installed panels last year, up 46 percent from 2011—the issue is pitting pro-utilities Republicans against this fledgling movement of libertarian-minded activists who see independent power generation as an individual right. In other words, the fight over solar power is raging within the GOP itself.

Scot Mussi, the executive director of the Arizona Free Enterprise Club, a conservative group that opposes Arizona's net metering policies, maintains that the program is a giveaway funded by non-solar ratepayers. "At the end of the day, these are subsidies," he said. "What this boils down to is whether there should be any sort of subsidies for customers on the grid. The way it stands now is that net metering picks winners and losers in the energy markets through ratepayers' utility bills."

But national surveys show overwhelming support for solar energy and other renewables. A poll conducted by the Pew Research Center in September found that 73 percent of Americans—including 58 percent of Republicans—support increasing federal funding for solar, wind, and hydrogen, and 58 percent believe developing renewables should be at the top of the U.S. energy agenda. Of the latter group, 72 percent of respondents are younger than 30, according to Pew. “Solar resonates on so many levels—with people who care about environmental justice, and health, and global warming—but interestingly, where we’re also seeing support is on the right, with people who care about competition,” said Ed Fenster, CEO of the solar leasing company SunRun. “Republican interest groups spend hundreds of millions of dollars trying to poke fun at Solyndra, but Republicans have generally made up their mind that solar power is a good thing.”

Conservative think tanks like Cato and the Heritage Foundation have been silent on the issue of net metering and “energy choice,” the preferred buzzwords that conservative solar advocates use to describe their support for net metering. At the state level, powerful conservative organizations like ALEC, the Heartland Institute, and Americans for Prosperity are waging an aggressive fight against green energy, pushing forward model legislation to repeal renewable energy standards and cut state subsidies for solar power. So far, however, these efforts have been thwarted, even in Republican-led states like North Carolina, Idaho, and Louisiana.

In Georgia, Tea Party activists broke their longstanding ties with AFP over the solar issue, citing an individual’s right to choose his or her own energy source. The result was the emergence of the Green Tea Coalition, a strange political coupling between Tea Party Patriots and Sierra Club environmentalists that successfully lobbied state regulators to increase solar mandates for utility giant Georgia Power. “We’re approaching this from a free-market energy freedom choice perspective,” said Debbie Dooley, the outspoken activist behind the Green Tea Coalition. The national coordinator for the Tea Party Patriots, Dooley says she is working with other Tea Party leaders to set up Green Tea Coalitions in states across the South, including Virginia, Florida, North Carolina, and Mississippi.

The Georgia AFP has responded with a “multi-pronged, grassroots driven initiative” that blames Obama for the new solar mandates and warns that more solar power would “kill jobs,” “reduce the reliability of every appliance and electronics gadget in your home,” and could increase Georgia electricity rates by up to 40 percent—claims that the Associated Press later debunked. “They’re really doing a disservice to the grassroots,” Dooley said. “They claim to be for the free market but they are definitely not trying to encourage innovation or competition—and I think a lot of it is to protect their donors.”

For now, the conservative split over solar power is a state-level phenomenon. And as such, it’s unlikely to impact the national Republican Party’s message on energy issues and climate change. But the odd alliances that have emerged in Arizona, Georgia, and elsewhere indicate that the political battle lines on the environmental debate may be shifting—merging anti-corporate, libertarian populists on both the right and the left.

And as more conservative homeowners turn to renewables to cut back on their energy bills and loosen the grip of utilities monopolies, Republicans may soon find that Solyndra mockery and clean-tech

bashing no longer resonate with the party's grassroots base. Rose, for one, sees an opportunity for the GOP to gain inroads on an issue that Democrats have dominated for more than two decades. "The very smart Republicans are going to understand this is how they can tread on Democratic turf," he said, "and co-opt that environmental message."

So Goldwater is leading the charge. In another TUSK video, this one featuring a large gorilla beating up a smaller gorilla, the conservative scion lays out the free-market case for renewables: "Conservatives want—no, the demand—freedom of choice," Goldwater says. "We can't let solar energy be driven aside by monopolies that want to limit that freedom of choice. It's not the American way; it's not the conservative way."