



## **Written Testimony for Pennsylvania House Consumer Affairs Committee**

### **Hearing on Community Solar**

*March 16th, 2019*

*Henry McKay, Pennsylvania Program Director, Solar United Neighbors*

Chairman Roae, Members of the Committee,

#### **Please Support HB 531**

Thank you for convening this important discussion on expanding access to solar energy in Pennsylvania. My name is Henry McKay and I am the Pennsylvania Program Director for Solar United Neighbors, a national nonprofit network of solar homeowners, community solar subscribers, and solar supporters. I am urging you to expand access to the cost-saving benefits of solar energy by passing House Bill 531. I also want to stress that we do not support House Bill 1970 in its current form and do not believe it offers meaningful benefits to ratepayers.

#### **Support for Community Solar is Widespread**

I give public presentations across Western Pennsylvania to assist people in going solar at their home or business. Last fall at a meeting in Clarion County, a woman asked me why we can't just build a large solar array somewhere nearby and have everybody share the cheap energy it generates? This is a question that I hear time and again – whether it's a homeowner with a shady roof in Westmoreland County or a farmer with acres of unused land in Indiana County – because the concept of community solar is intuitive to many. And each time they ask, I must tell them that what they are describing is currently prohibited in Pennsylvania. Under our current regulations, a single solar installation cannot be linked to the electric meters of multiple ratepayers.

Pennsylvanians of all stripes – rural or urban, liberal or conservative – want affordable access to solar. For example, just last September we turned out over 200 people in Greene County, some of them already solar homeowners, at the first annual Greene County Solar Festival. They want to control where their electricity comes from and save thousands of dollars while they're at it. They want the freedom to use solar technology to its fullest extent.

Already, 22,000 Pennsylvanians have installed solar at their home or business, but many more are unable to because their roof is too shady or in poor condition, because they rent their property, because a homeowners' association is preventing them from doing so, or because the upfront cost of an installation is prohibitive. According to a recent study by the [National Renewable Energy Laboratory](#) (NREL), 49 percent of U.S. households and 48 percent of businesses are unable to host a solar photovoltaic (PV) system. For these people, community solar is their only option.

#### **Benefits for Both Electricity Customers and Farmers**

Subscribers to a community solar project benefit by lowering their electric bills. The output of their share of the community solar array is credited against their electric bills, resulting in substantial savings. This is similar to the experience of a traditional rooftop solar owner, except the community solar subscriber does not have to physically install the panels on their property.

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Community solar also benefits the landowners, who are often farmers, who host the array. In Minnesota, which boasts one of the largest community solar programs, a dairy farm called Eichten's Hidden Acres leases its marginal land to a 5 megawatt community solar array, which brings them over \$800 per acre per year in lease payments on land which would have generated about half as much were it given over to grazing. This revenue stream allows the farm to stay in business and so that it may be passed on to the next generation. Just think what community solar could do for Pennsylvania farmers, especially dairy farmers, who are struggling to stay afloat. Crucially, this lease income is typically fixed or escalates over time. And of course, more solar installations results in more solar jobs and businesses throughout the state.

### **Cut the Red Tape and Expand Consumer Choice**

Let's be clear: it is not any limitation of solar technology or energy economics that is preventing community solar from taking off in Pennsylvania. A residential or small business rooftop solar installation, with the cost spread out over the 25-30 year lifetime of the system, currently delivers cheaper electricity than we buy from our utilities, and this is even more true for a community-scale installation. What is holding us back is simply regulatory red tape. Pennsylvania's energy regulations require one solar installation to be connected to one and only one customer's electric meter.

I am asking you to cut through this red tape and make our energy system more competitive and more free. Let Pennsylvania homeowners, small businesses, and farmers use solar technology to its fullest extent, giving them, not just utilities, more choice and control over where their energy comes from.

### **True Community Solar, Not a Green Tariff**

I want to stress that Solar United Neighbors does not believe that HB 1970 would create a true community solar program or even offer any tangible benefits to subscribers. True community solar would allow subscribers to lower their electric bills. HB 531 allows this by treating community solar subscribers like owners of traditional rooftop solar arrays, whose electric bills are reduced by the output of their solar array. HB 1970 would simply charge subscribers a different energy generation price, resulting in limited bill savings or perhaps even higher bills, depending on the price. In effect, HB 1970 would create a green tariff program, allowing customers to pay a special price for solar energy. This is essentially no different than the current system where customers can shop for alternative energy generation providers.

HB 1970 would also give electric distribution companies the exclusive right to develop – or block – community solar projects in their territory. In contrast, HB 531 would let the market decide where projects are developed.

### **Our Time to Lead**

Pennsylvania has always been an energy leader, from the early days of the Industrial Revolution to today. We earned this mantle by being forward looking and eagerly embracing new energy technologies. But the future of energy is with renewable, affordable, fuel-free sources like solar energy. If we fail to take this opportunity to lead, we will miss out on the jobs, on the economic development, on the cheap energy, and on the historic chance to build an energy system that shares its benefits more broadly, and we will be left behind. Thank you.

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**Written Testimony from Solar United Neighbors of Pennsylvania in Support of HB 531**

*For House Consumer Affairs Committee Hearing on HB 531, 10am on 9/1/2020*

*Henry McKay, Pennsylvania Program Director, Solar United Neighbors*

Chairmen Roae and Matzie,

Thank you for scheduling this hearing on an issue that is very important to many Pennsylvanians. My name is Henry McKay and I am the Pennsylvania Program Director for Solar United Neighbors, a national nonprofit network of people building a cleaner and fairer energy system with solar as its cornerstone. I am speaking on behalf of more than 4000 of our solar supporters in Pennsylvania about the critical need to allow community solar in our state by passing House Bill 531 – and to do so *quickly*. Now more than ever, Pennsylvanians need the electric bill savings and economic stimulus that community solar will provide. Already, over 200 projects stand ready to start construction, lease agreements with local landowners in hand, should this legislation pass. The consumers are ready for community solar. The industry is ready for community solar. We're just waiting on our legislators.

I give public presentations across Western Pennsylvania to assist people in installing solar at their home or business. Participants frequently ask me why they can't just build a large solar array somewhere nearby and have a group of people lower their electric bills with the energy it generates? This is a question that I hear time and again – whether it's a homeowner with a shady roof in Westmoreland County or a farmer with acres of unused land in Indiana County. And each time I must tell them that this common-sense idea is called community solar and is currently prohibited in Pennsylvania.

To date, there are over 24,000 solar installations across Pennsylvania, but many more people are unable to go solar because their roof is too shady or in poor condition, because they rent their property, because a homeowners' association is preventing them from doing so, or because the upfront cost of going solar is simply prohibitive. According to a 2015 study by the National Renewable Energy Laboratory (NREL), 49 percent of U.S. households and 48 percent of businesses are unable to host a solar photovoltaic (PV) system. For these people, community solar is their only option.

It is critical that the legislation that this committee approves allow for tangible economic benefits for subscribers. Rooftop solar lowers the customer's energy bills and so should community solar. These bill savings are particularly valuable for lower income households who struggle to pay their electric bills each month. They are far less likely to be able to benefit from rooftop solar, due to upfront cost, roof issues, or lack of homeownership. Community solar would effectively provide bill relief without having to allocate taxpayer dollars.

Pennsylvanians of all stripes – rural or urban, liberal or conservative – want affordable access to solar. For example, just last fall we turned out over 200 people in Greene County, some of them already solar homeowners, at the first annual Greene County Solar Festival. We have worked closely with people across Western Pennsylvania – including Cambria, Fayette, Westmoreland, Indiana, and Crawford Counties – to help them go solar and become effective solar activists. Just last week, I visited the solar-powered home of a retired coal mining engineer and the daughter of a coal miner. To them, solar must



be a part of Pennsylvania's energy future. "There's only so much coal," they told me, "but the sun will be here forever."

Community solar also benefits the landowners hosting the array. In Minnesota, which boasts one of the largest community solar programs, a dairy farm called Eichten's Hidden Acres leases its marginal land to a 5 megawatt community solar array, which brings them over \$800 per acre per year in lease payments on land which would have generated about half as much were it given over to grazing. This revenue stream allows the farm to stay in business and so that it may be passed on to the next generation. Just think what community solar could do for Pennsylvania farmers, especially dairy farmers, who are struggling to stay afloat. And of course, more solar installations results in more solar jobs and businesses throughout the state.

Let's be clear: it is not any limitation of solar technology or energy economics that is preventing community solar from taking off in Pennsylvania. A residential or small business rooftop solar installation, with the cost spread out over the 25-30 year lifetime of the system, currently delivers cheaper electricity than we buy from our utilities, and this is even more true for a community-scale installation. What is holding us back is simply regulatory red tape.

I am asking you to cut through this red tape and make our energy system more competitive and more free. Let Pennsylvania homeowners, small businesses, and farmers use solar technology to its fullest extent, giving them more choice and control over where their energy comes from.

Pennsylvania has always been an energy leader, from the dawn of the Industrial Revolution to today. We earned this mantle by eagerly embracing new energy technologies. But the future of energy is with renewable, affordable, fuel-free sources like solar energy. If we fail to take this opportunity to lead, we will miss out on the jobs, on the economic development, on the cheap energy, and on the historic chance to build an energy system that shares its benefits more broadly, and we will be left behind. Thank you.