



House Consumer Affairs Committee

House Bill HB531
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Testimony in Support

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Community Solar HB531 – Testimony in Support

My name is Tony Clifford. I am Chief Development Officer of Standard Solar Inc., a leading financier and developer of distributed generation (DG) and small utility-scale solar projects throughout the country. I am a native of Luzerne County and a Penn State grad. I have two decades of C-level solar industry experience. In addition to my work at Standard Solar, I have served for the previous eight years on the board of directors of the national Solar Energy Industries Association (SEIA), including four years as Chair of SEIA's Distributed Generation division.

Standard Solar typically works with regional/local solar developers and local communities to co-develop DG solar projects. Standard brings the financing and (as needed) engineering, procurement, and construction management expertise necessary to make larger solar projects happen. In our pipeline Standard Solar currently has more than 250 Megawatts of solar projects under development in Pennsylvania, and we are looking for more. These projects are located in 26 counties throughout the Commonwealth. While we did complete a fairly large project (4+MW) at Fort Indiantown Gap early last year, very few of the projects now under development are viable -- without passage of legislation like HB531. Our projects alone will attract nearly \$500 million of private investment. Also, please remember that Standard Solar is one of many firms that are looking to finance and develop solar projects in PA.

Community solar programs are a proven policy tools for economic growth and access. Standard Solar has financed and co-developed Community Solar (CS) projects in California, the Mountain states, the Midwest, and the Northeast. We have seen firsthand the positive benefits that CS

projects bring to individuals, businesses, and communities. Passage of HB531 will bring these benefits to Pennsylvania and its citizens including:

Billions in Private Investment.

In this time of unprecedeted financial and other uncertainties, passage of HB531 will attract private, off-budget financing that will create good-paying jobs, generate local tax revenues and, in most instances, provide lower cost electricity to consumers, businesses and municipalities.

Create Good-Paying Jobs.

The growth potential for solar jobs in Pennsylvania is real. Solar jobs are career jobs, from blue-collar boots-on-the-roof, to engineers, systems designers, finance and marketing managers, contracts experts, safety administrators, O&M technicians and even policy experts to list a few. Solar jobs are not minimum wage jobs. The average base pay of a blue-collar solar installer in the USA is \$51,000 annually (See https://www.glassdoor.com/Salaries/solar-installer-salary-SRCH_K0,15.htm). With nearly half the total U.S. solar jobs located in California, this national average salary is likely higher than solar installer wages in Pennsylvania. However, I am confident that wages for PA solar installers are nowhere near minimum wage. Standard Solar projects are usually installed under union or “prevailing wage” structures. Solar installer (and most other solar jobs) are not ones that can be exported. Moreover, solar installation is not a job that is likely to be automated in the foreseeable future.

Support Local Industries.

Solar systems provide clean, renewable electricity, often at a price below the current cost of utility-generated power. This can reduce operating costs for consumers and local businesses. Non-utility CS projects can also give municipalities a bit of flexibility with their operating budgets. Contracts are typically for 20 to 30 years. Such long-term contracts can provide customers with a hedge on electricity costs for decades. However, if the local utility has a monopoly on solar development, customers usually get solar at the same price (sometimes higher) than their current cost of utility power.

Generate Tax Revenues.

Solar projects typically begin to generate local tax revenues once the system is operational. Vacant, undeveloped, marginal land typically generates little or no tax revenues. Solar projects on such properties can certainly help local governments balance their budgets. They can also provide local governments with a bit of sorely needed financial flexibility (I will note that solar developers can sometimes negotiate a multi-year tax abatement with local governments).

Lower Cost Electricity.

Solar developers realize that an incentive is often necessary to get a potential customer to switch to solar. Standard Solar strives to offer a price over a long-term contract that is less than the cost of utility-generated power. However, if the local utility has a monopoly on solar development,

customers usually get solar at the same price or higher than their current cost of utility power. Like many of us learned when the Bell system lost its monopoly power in the late 1970s, competition in telecommunications spurred innovation, reduced costs, and brought tremendous benefits to all. Independent producers of solar electricity can also bring economic and other benefits to consumers, businesses, and municipalities. Moreover, solar improve the reliability and resilience of the electrical grid, helping to reduce power outages.

Development of Damaged, Low-Yield or Underutilized Land.

The sun shines just as brightly on strip-mined land, brownfields and other marginal lands as it does on prime real estate. As I am sure you know, Pennsylvania has plenty of non-prime land available for solar development. Solar developers can also help to save family farms by enabling farmers to “plant” a solar system on low-yield agricultural land. That is why the Pennsylvania Farm Bureau now supports solar development as a way to help save and strengthen family farms.

Other Benefits.

As a non-polluting source of power fueled by the sun, solar energy offers obvious environmental and climate change benefits. Community Solar offers renters and those unable to install solar on their homes or businesses the opportunity to “go solar.” It can help low-to-moderate income residents to get access to the economic and other benefits of clean energy systems. Community Solar will also help achieve Pennsylvania’s goal of providing a cleaner, healthier, and safer environment for all its residents.

Opportunity for Leadership.

Since 1927 Pennsylvania is the unsung home to PJM, the hub and control center for electricity distribution for a 13-state region and serving 21% of the nation’s GNP. Headquartered in Audubon, PA, PJM ensures the reliability of the high-voltage electric power system serving 61 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM provides the renewable energy generation accountability tools that many our neighboring states rely on for success with their solar programs. It is time the Commonwealth proudly leverages its home-grown regional asset to facilitate its solar potential with HB531.

For all these reasons, I strongly support HB531. I urge the Committee to quickly move this bill to the House Floor and help get this legislation turned into law in 2020.

If you have any questions about the proposed legislation or solar development more generally, do not hesitate to reach out to me.

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