



# Industrial Energy Consumers of Pennsylvania

## *The Voice of Large Energy Consumers*

December 11, 2023

House Environmental Resources & Energy Committee  
Chairman Greg Vitali

CC. Members of the Committee

Re. Hearing on HB 1467

Dear Chairman Vitali and Members of the Committee:

The Industrial Energy Consumers of Pennsylvania (IECPA) is a trade association of energy intensive large manufacturing companies with one or more facilities in the Commonwealth of Pennsylvania with employees across the state. Formed in 1982 IECPA is the recognized voice of large energy consumers in Pennsylvania and played a critical role in the restructuring of both the electric and natural gas industries. IECPA member companies provide good paying jobs to over 25,000 Pennsylvanians. We write to provide additional feedback that was not covered in today's committee meeting regarding HB 1467.

IECPA is supportive of a diverse electricity generation supply structure. However that supply structure must provide a balance between three critical elements:

- 1) Reliability
- 2) Cost Competitive Pricing
- 3) Environmental Protection

Environmental protection can be achieved while also ensuring reliability and competitive pricing. But we have to make sure we are reviewing the impact in each of these areas with an open mind and real research / analysis. It is in that light that IECPA submits these questions / concerns regarding HB 1467 and welcomes the opportunity for further discussion.

Questions / Comments

### **Regarding Community Solar**

1) The definition of "Community solar bill credit" states, "The number of kilowatt hours of electricity generated by a community solar facility and allocated to a subscriber's monthly bill to offset any part of the subscriber's retail electric bill other than volumetric or demand-based distribution charges."

- a) What is the definition of "distribution charges"? For example does this include Act 129 Alternative Energy program charges, Energy Waste Reduction program charges, Gross



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Receipt Tax, etc.? Wouldn't this create a subsidy that all other customers would need to pay for?

b) Section 3.1 states, "3) A subscriber to a community solar facility shall receive a monetary community solar bill credit for every kilowatt hour produced by the subscriber's subscription, which may be used to offset any part of the subscriber's electric bill." This appears inconsistent with the definition of the Community solar bill credit. Can you explain? Wouldn't this create a subsidy that all other customers would need to pay for?

c) Given that the community solar facility is only providing energy supply and not reducing any of the subscribing customers distribution/delivery service, shouldn't the Community solar bill credit only offset power supply related charges?

2) Is the community solar program as provided in this bill only available to utility full service customers? If not, given that the community solar facility is only providing energy supply and not reducing any of the subscribing customers distribution/delivery service why should the distribution utility be required to provide a Community solar bill credit to a retail choice customer who the utility has no obligation to provide energy supply? Wouldn't this create a subsidy that all other customers would need to pay for?

3) Section 1.(3) requires that the Community solar facility, "Is connected to and delivers electricity to a distribution system operated by an electric distribution company operating in this Commonwealth and in compliance with the requirements of this act." Where is the obligation for the Community solar facility to provide / transfer ownership of all electricity and capacity to the EDC? Just because it is connected and delivers electricity to an EDC's distribution system does not create an obligation for the Community solar facility to provide / transfer ownership of all electricity and capacity to the EDC.

4) What product will the Community Solar facility provide to the electricity distribution company (energy, capacity, alternative energy credits, renewable energy credits, etc.)? No where in the bill does it specify what the EDC will receive from the Community Solar facility.

5) In Section 3.1 it states, "2) An electric distribution company shall be entitled to recover reasonable costs, subject to approval by the commission, to administer a community solar program within the electric distribution company's service territory." It also states that, "(4) An electric distribution company may not charge a community solar facility, community solar organization or subscriber to a community solar facility a fee or other type of charge unless the fee or charge would apply to any other customer that is not a community solar facility, community solar organization or subscriber to a community solar facility." Doesn't this mean that the utilities costs associated with the community solar program will be paid by all utility customers even those not receiving any benefit or credit from a community solar facility?



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### Regarding the Expansion of AEPS

- 1) Has any customer economic impact study been performed in relation to the expansion of the AEPS requirements? For example, the Capital Complex is a large electricity customers. How will this bill impact the electricity cost to the Capital Complex?
- 2) Given that the implementation of RGGI in PA has still not been decided, wouldn't it be best to wait? Customers should not be faced with the costs of multiple programs each focused on achieving the same goal.

Respectfully submitted,  
INDUSTRIAL ENERGY CONSUMERS OF  
PENNSYLVANIA (IECPA)

By

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