



January 16, 2024

To: Chairman Matzie, Minority. Chairman Marshall and Members of the Consumer Protections, Technology, & Utilities Committee

Re: Public Hearing on House Bill 1842

Thank you for giving the Coalition for Community Solar Access (CCSA) the opportunity to discuss community solar policies in Pennsylvania.

CCSA is a national coalition of businesses and non-profits working together to expand customer choice. Together, we are building the electric grid of the future where every customer has the freedom to support the generation of clean, local solar energy to power their lives. We work with customers, utilities, local stakeholders, allies and policymakers to develop and implement best practices that ensure community solar programs provide a win-win-win solution. The solution begins with the customer.

Our members are solar industry leaders and are engaged at every step of development, ensuring these best practices are not theoretical but are applied and practiced. We have members headquartered in Pennsylvania, and others who are interested in investing in our Commonwealth.

CCSA submits testimony in strong support of HB1842.

Community Solar 101

Community solar will allow the private sector to work in collaboration with the local utilities to provide clean energy to our local communities and ultimately reduce costs to customers. Community solar refers to local, third-party owned, solar facilities shared by multiple community subscribers that receive credits on their electric bills for their share of the power produced. Community solar provides homeowners, renters and businesses equal access to the economic benefits of solar generation, regardless of the physical attributes, financial barriers, or property ownership.

Today, more than 50% of American households and businesses do not have access to solar due to these common barriers¹. Community solar provides anyone who pays an electric bill access to solar energy without the need to install a solar system on site. It democratizes solar energy, provides energy choice for customers and diversifies our generation sources with homegrown energy. This ultimately builds a stronger, distributed, and more resilient electric grid.

Community solar facilities are considered a distributed generation resource, meaning they are

connected to the grid and serve customers in a single utility territory. Community solar does not use the transmission side of the grid. These facilities would be statutorily limited to be no larger than 5MW and strictly prohibited from building projects on neighboring parcels, in order to prevent community solar projects from becoming larger scale utility projects using different market mechanisms. Typically, 1MW project would require approximately 4-6 acres of underutilized land, brownfield, or landfill to develop. Therefore a 5MW project would be around 30 acres of land.

HB 1842 has decommissioning language in the bill for all project sizes to ensure the greatest level of protection for landowners and communities. CCSA and our member companies are committed to working with legislators, County Commissioners, municipal leaders, government agencies, the Farm Bureau, and other interested stakeholders to ensure landowners are protected throughout the development and decommissioning processes with bonding and financial assurances.

Economic Benefits

There are 40 states that have at least one Community Solar Facility online and 20 states plus Washington, D.C have passed legislation to enable community solar facilities². In the region, Virginia, Delaware, Maryland and New York have active community solar programs and Ohio has community solar legislation pending. These programs have created tens of thousands of jobs nationwide and have, and will continue to, spur billions in local economic investments in each of those states.

According to an analysis from Penn State College of Agricultural Sciences' Center for Economic and Community Development, the construction of new community solar facilities in the commonwealth would generate an estimated \$1.8 billion in economic impact, create over \$793 million in labor income, and support 12,000 total jobs in various sectors across Pennsylvania, including many in construction. The study analyzed 235 planned community solar projects across 48 counties which can move ahead if community solar legislation passes the General Assembly.

Once operating, Penn State research projected that these facilities will generate over \$83 million in economic output annually and generate an additional \$574,260 in annual real property tax collections for municipalities in 48 rural and urban counties.

Report author Tim Kelsey of Penn State's Center for Economic and Community Development observed that "these projects will not be confined to just one region, but rather will be spread across broad swaths of the state, offering counties the potential to capture jobs and tax revenues in their own local economies."

The Commonwealth would also see a 75% increase in solar jobs, paying no less than prevailing wage. This will create \$1.06 billion in economic earnings for Pennsylvanians . Many of the new solar jobs created by HB 1842 provide opportunities to develop a pipeline of innovative and skilled labor in rural and urban communities alike, allowing the Commonwealth to rethink and reshape economic development through emerging technologies.

HB 1842 will drive much needed tax dollars into our local communities which will be paid by the

community solar developers. These dollars can help fund schools, lower property tax burdens for seniors, fund critical infrastructure needs for the community, emergency services or whatever a community deems a priority.

HB 1842, will enable community solar projects in the Commonwealth by removing red tape that is preventing a competitive market and, importantly, this bill will not raise taxes. Specifically, the legislation collects administrative fees from programmatic applications for all appropriations required to administer the program by the Public Utilities Commission. Furthermore, community solar developers pay the utilities for the administrative upgrades and staffing needs for new solar market management.

When this bill passes, Pennsylvania will see a new stream of corporate investments from a different arm of the solar industry.

Income Opportunities for Farmers and Landowners

Community solar presents an enormous opportunity for farmers in Pennsylvania to obtain year-round and dependable income to improve the economics of their farms by leasing a small portion of their land for community solar development. This is a practice that is becoming increasingly popular in rural America. Many farmers do not see a feasible path for farm succession and it is important that the legislature consider alternatives to bolster farm viability and support new farmers in succession planning. Farmers need help now given the average age of a farmer in Pennsylvania is 55 and many of them will be looking to respectfully retire in the next few decades. .

As mentioned above, community solar installations are an effective means of supplementing income to help keep family farms financially viable in challenging and changing markets. CCSA has been working closely with many farmers in Pennsylvania; here are their stories:

- Paul Mason of Nottingham, Pennsylvania is fortunate enough to have land that stretches across the state line between Pennsylvania and Maryland. On his Maryland property, he has leased seven acres of land for a community solar project. The money he receives through his 25- year land lease allows for greater efficiencies in farm finances and is helping to provide an economic security blanket during these tough times. However, he is eager to see the passage of HB 1842 so he can lease a portion of his land in Pennsylvania for community solar. This additional community solar facility will help ensure the economic viability of his family farm so he can pass it on to his children.
- Franklin County Farmer Dennis Coons has signed a community solar lease with a CCSA member company as a means to ensure he is able to keep his parents' dairy farm in the family. HB 1842 provides an opportunity for his family to earn income that could help support this goal and bring needed economic recovery dollars home to his region.
- Steve Lynn, a resident of Columbia County has leased approximately 40 acres of land to participate in a community solar program and Gail Tucci of Crawford County has also signed a lease with a CCSA member. She is a small business owner who has

been hit hard by the pandemic and believes that community solar can help stabilize her income while protecting her from future risks.

- Maley Lysle of Carlisle is excited the community solar lease will provide her parents a stable income while providing tax revenue and job growth for her local community which is something that she notes, “we desperately need.”
- Retired Farmer Tom Reitz from Union County has been faced with many tough decisions regarding his 80-year old farm in recent years but community solar has provided him the option to keep all of his land.

All of these farmers and landowners as well as many more throughout the Commonwealth are waiting for the passage of HB 1842 as a lifeline, not just another opportunity.

CCSA members are committed to building long standing relationships, anchored in trust with individual farmers, the Farm Bureau, and local communities to execute contracts and leases that serve the farmer and the community’s unique needs. Additionally, the industry is committed to innovation and technology to make solar panels more efficient, agro-photovoltaic uses and technologies readily available, and development techniques to preserve the health of the land and ensure dual usage.

Considering that 98% of farms in Pennsylvania are family owned and operated, the impact of enabling community solar is economically significant for farmers, local municipalities, and the commonwealth as a whole.

Customer Savings and Program Structure

CCSA has been working with the bipartisan cosponsors of HB 1842 as well as various stakeholder groups to tailor the bill to the unique needs of Pennsylvania. This includes requiring all community solar subscriptions save consumers money, ensuring the benefits of the program are borne by all rate classes, and allowing the Public Utilities Commission (PUC) to develop a long term market that represents the interests of the state and all parties involved.

CCSA has worked diligently with some of the Electric Distribution Companies (EDCs) and wide ranging stakeholders including small and large businesses, the financing community, the solar industry, agricultural interests, county decision makers, trade unions, conservation organizations, consumer advocacy groups, and others to make comprehensive changes to community solar legislation introduced in previous sessions.

Some of these changes include:

- Establishing a community solar market without expanding net metering,
- Removing the red tape for limiting subscriptions and bill credits in current laws, b,NVM
- Robust regulation by the PUC, including but not limited to the study and development of a Value of Solar.
- Prevailing wage
- Decommissioning, bonding, and increased landowner protections

The stories above and letters of support submitted are a small sample of the broad and overwhelming support from 80% of Pennsylvania voters who want the legislature to take action on community solar legislation and the more than 60% who want access to the choice to participate in a community solar program.

CCSA looks forward to working closely with Chairmen Martin and Matzie, Members of the Consumer Protections Committee, and Representative Schweyer to bring this new economic opportunity to the state of Pennsylvania in 2024. Thank you for your time and consideration, we look forward to submitting oral testimony in Harrisburg at the hearing on Community Solar.

Sincerely,

Elizabeth Van Holt, New Markets Director
Coalition for Community Solar Access