

Jan 11, 2024

Pennsylvania House Consumer Protection Committee

**Re: PA House Bill 1842, Community Solar Legislation**

Dear Members of the Pennsylvania House Consumer Protection Committee,

Vote Solar is grateful for this opportunity to provide written comments on House Bill 1842, for consideration as part of the informational hearing on community solar taking place on January 16, 2024. Vote Solar is a national nonprofit that works state by state to repower our communities with sunshine and advance a clean energy transition that puts the interests, health and well-being of people at its center.

Vote Solar and others have long advocated for legislation to authorize community solar in the Commonwealth; community solar is a key vehicle to advance a clean energy transition that doesn't leave anyone behind. We appreciate the work that Representative Peter Schweyer, Committee Chair Matzie, and committee staff have put into this legislation, and we note with pleasure that HB 1842 already enjoys bipartisan support.

Community solar promises to unlock the benefits of a clean energy economy for the many Pennsylvanians who currently risk being left behind. It allows everyone to choose local, reliable, and lower-cost clean energy solutions, regardless of income level or housing type. It also promises to help communities across the state that have been harmed by rising costs of living and local job loss, and to support struggling farmers in protecting their land while generating much-needed additional income by leasing unused land and the roofs of large feed barns. While 22 other states and the District of Columbia have already authorized community solar and begun reaping its benefits, Pennsylvania has yet to act.

Community solar will help Pennsylvania to meet our expanding resource adequacy requirements. With solar's rapidly advancing technology and absence of recurring fuel costs, it is, in most situations, the most affordable energy that can be added to the energy grid. And since community solar projects are able to interconnect at the local distribution level, they avoid the delays and uncertainty associated with the PJM interconnection queue: a regional wait-list where large energy projects must secure approval before moving forward. Embracing community solar will help Pennsylvania to be nimble and efficient in meeting its own energy requirements, while continuing to deepen our historic role as a key player in the regional energy economy.

New federal tax incentives through the Inflation Reduction Act also appear tailor-made to benefit Pennsylvania. For instance, there are added incentives for projects sited on brownfields or in areas with high levels of fossil fuel employment or coal plant closures, as well as projects sited in or benefiting low-income communities. By capitalizing on federal incentives that would

otherwise sit untapped, community solar can re-energize regions suffering from disinvestment across our state, bolstering them with good jobs and affordable energy.

This legislation in particular has a number of notable strengths that recommend it over previous community solar bills, and which we believe will advance the public interest and enshrine strong consumer protections going forward. We thank Representative Schweyer for including these key provisions in the bill:

- **Strong labor protections**
  - Investing in a clean energy future means investing in Pennsylvanians. Clean energy jobs should be well-paid, stable, and accessible to all. The bill requires prevailing wage for all community solar projects, and includes penalties for non-compliance.
- **No competition with existing programs for funding**
  - Community solar should build on rather than compete with critical funding for existing renewable energy, low-income, and energy efficiency programs. In this bill, project financing is based on renewable energy credits, federal incentives, and a bill credit to be determined by the Public Utilities Commission (PUC). There is no competition for funding with existing programs.
- **Maximized benefits for low-wealth communities**
  - Community Solar allows direct benefits to be targeted to low-wealth communities which otherwise lack access to clean energy. This bill directs anticipated federal funds to support low-income participation, including higher guaranteed savings. It also empowers the PUC to further maximize low-income benefits.
- **Robust consumer protections**
  - This bill does not allow for upfront costs or credit checks for community solar subscribers. This protects against many forms of predatory behavior. While we recommend that the Committee consider amending the bill to prohibit termination fees for the same reason, the existing exclusions lay an important foundation.
  - In specifying that community solar subscriptions are non-basic service charges, the bill protects ratepayers from the threat of losing public utility services should they fail to pay a subscription fee.
  - Under this bill, community solar businesses must share standardized information with potential subscribers, facilitating transparency. The bill additionally directs the PUC to investigate and implement further consumer protections.

We are also pleased that under the bill's current language, the subscription cost for community solar cannot exceed the bill credit, ensuring that no subscriber will pay extra to participate in community solar. We urge the Committee to consider following the lead of other states in including guaranteed savings as part of the program design, ideally as a set percentage (for instance, in our neighboring state of New Jersey, all community solar subscribers are guaranteed saving of no less than 15%) or at minimum by stating that the subscription price must be lesser than the bill credit.

We further suggest that the Committee consider including additional support for projects that are owned by the community, for instance by a local nonprofit. Community ownership builds local

wealth, and community-owned solar projects have been shown<sup>1</sup> to result in an average of three times the local benefits as those that are owned by a third party. While this bill does not prohibit community ownership, these projects often require additional support: those communities that would benefit most are the least likely to have access to the upfront capital and requisite subject matter expertise. We hope the committee will explore options to facilitate that access, and we are eager to discuss the issue in more detail should the opportunity arise.

In closing, we reiterate our support for community solar as a critical tool in making clean energy – and the economic, environmental, and social benefits it confers – accessible to all Pennsylvanians. We are excited to see this legislation progress, and are enthusiastic about the clear concern for the public interest and consumer protections that are represented throughout the bill.

Thank you for your time and attention to this important subject.

Signed,

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<sup>1</sup> Institute for Local Self-Reliance: Key Benefits of Local Clean Energy Ownership  
[https://cdn.ilsr.org/wp-content/uploads/2023/10/Advantage-Local-2023-Update-Exec-Summary-Fact-Sheets.pdf?\\_gl=1\\*ewhr37\\*\\_ga\\*OTg4Nzk2ODE5LjE1OTQ5MzcwMzI.\\*\\_ga\\_M3134750WM\\*MTcwMTk2OTIxNi41NjYuMS4xNzAxOTY5Njg5LjAuMC4w&\\_ga=2.164093439.1938266952.1701820198-988796819.1594937032](https://cdn.ilsr.org/wp-content/uploads/2023/10/Advantage-Local-2023-Update-Exec-Summary-Fact-Sheets.pdf?_gl=1*ewhr37*_ga*OTg4Nzk2ODE5LjE1OTQ5MzcwMzI.*_ga_M3134750WM*MTcwMTk2OTIxNi41NjYuMS4xNzAxOTY5Njg5LjAuMC4w&_ga=2.164093439.1938266952.1701820198-988796819.1594937032)