



Solar Talking Points on HB 2405

HB2405 increases the solar share from 0.5% to 3.0% by 2025. With unemployment on the rise, accelerating the solar requirement at this time offers the prospect of new and enhanced jobs within the Commonwealth.

Increasing solar allows for timely development of locally sourced low-carbon energy in Pennsylvania.

Increasing the solar share sends solar developers the message that opportunities in Pennsylvania for jobs and job growth will not phase out soon. An investment in Pennsylvania is a competitive one. Other states are increasing their portfolios. Now that we have over 450 solar businesses operating today in Pennsylvania, we don't want to lose the jobs to states with more aggressive portfolio standards. My company has ___ and last year we had ____.

The bill sets a yearly value for the Alternative Compliance Payment and allows for long term contracts. These are two key provisions in the new bill to control the cost of solar. It helps my business attract the necessary capital to build projects. Right now, capital markets are tight; my business often has to pay a premium for capital because it is not clear what the value of the renewable energy credits will be. Setting an ACP and allowing for long term contracts helps with financing and lowers lenders risks.

HB 2405 limits the purchase of solar and other credits for the compliance market to projects developed in Pennsylvania, like many of the surrounding states. This ensures the benefits remain in Pennsylvania.

The bill includes solar thermal which is a lower cost technology and allows for more job development as well as additional options for residential and businesses interested in solar.

HB 2405 adds consumer protection measures to ensure any solar system installed in Pennsylvania must use an approved participating contractor and a licensed electrician in municipalities that license electrical contractors.

General Solar Points:

Solar can provide some relief from dependence on foreign energy resources. In addition, Solar helps decentralize and diversify our power supply. Solar helps to break our reliance of foreign energy sources coming from unstable countries that aren't friendly to the US.

Centralized power plants are more vulnerable to security breaches and can be targets of terrorists.

Decentralized or distributed solar power can alleviate grid congestion.

Solar is locally "home growth" and the jobs can be developed in all of the 67 counties in Pennsylvania that are not easily exported.

Diversifies our energy supply and provides a hedge against higher cost fossil fuels as prices rise for coal and other fossil fuels. Costs are going up for coal and oil as more fossil fuels are exported to China and India to meet their growing demands.

Solar development contributes to the economy in many ways including a new source of tax revenue and the creation of direct and indirect jobs.

Since solar is almost perfectly coincident with peak energy demand in our region, it can contribute to downward pressure of wholesale rates which are most expensive during peak usage on hot, sunny, summer days. This is exactly when solar is most efficient and operating at peak performance.

Solar has zero fuel costs and near the bottom of the electricity supply curve. When solar enters the electricity market, resources with higher costs are displaced resulting in lower cost electricity prices. When higher cost resources are displaced all electricity consumers benefit since the reduction in price applies to all electricity traded through the grid.

Financial impacts of increasing solar have been falsely represented in the past. The utility analysis circulated earlier this year did not include the inclusion of the lower cost of solar thermal, nor did it recognize that the cost of the solar renewable energy credits are predicted to continue to decline over time. The analysis done did not accurately represent declining costs of solar renewable energy credits over time. Solar prices are rapidly falling, going from over \$10 per watt in 1998 to about \$5 per watt for large projects now.