Re: Public Comment on Tentative Implementation Order of Act 40 of 2017 Docket M-2017-2631527

Dear Secretary Chiavetta,

Please accept this letter as Teichos Energy’s (“Teichos”) formal comments in response to the Pennsylvania Public Utility Commission (“Commission”) Tentative Implementation Order of Act 40 of 2017, dated December 21, 2017 (“TIO”). Respectively, Teichos supports and agrees with the many filed public comments and letters, and collectively agrees that the intended interpretation of Act 40 (“Act 40”), especially as it pertains to certain sections, is to 1) close the state’s borders for solar alternative energy credits and, 2) by doing so, encourage solar investments within the Commonwealth. Teichos considers the interpretation by the Commission’s staff, particularly Section 2804(2)(i), to be inaccurate in that it would allow for out-of-state credits to be grandfathered or banked, largely rendering the intent of Act 40 to be useless.

Teichos agrees with the Joint Statement issued by Chairman Brown and Vice Chairman Place (“Joint Statement”) by which they stated, “Failure to effectuate the intentions of the General Assembly would conflict with the principles of statutory construction.” Furthermore, the accurate intent of the legislation has been clearly stated in formal and public forums by both the legislative and executive branches of the Pennsylvania government. As expressed by Senator Scavello, “If all out-of-state, banked and not contracted-for SRECs are permitted to meet the AEP’s solar requirement then Act 40 will be largely ineffective. This was not the intent.”

Teichos’ trusts the intent of Act 40 is to encourage in-state solar development in an effort to enhance economic benefits for the Commonwealth. Supportive data from The National Renewable Energy Lab (“NREL”) utilizing a Jobs and Economic Development Impact Tool (“JEDI”) quantifies economic benefits derived from solar development. Teichos used this nationally accepted tool to estimate the local job benefits from a single 20 MW solar facility located within the Commonwealth. JEDI estimates a 20 MW solar facility located within the Commonwealth is expected to create up to 128 jobs resulting in over $9 million in earnings. JEDI estimates that this has a local output of over $12 million. In addition, based upon information included in the 2016 Alternative Energy Compliance Annual Report, more than 400 additional megawatts will be needed in the Commonwealth to meet and support the AEPS Solar PV carve out—resulting in over 2,650 new jobs and more than $180 million in earnings.

Respectively, we encourage Commission staff members to implement and adopt the accurate intent of Act 40 as duly clarified in the Joint Statement and Senator Scavello, thus passing legislation that shall result in significant job growth and economic benefits for the Commonwealth of Pennsylvania.

If you have any questions, please feel free to contact us.

Best,

Stephen Voorhees
Stephen Voorhees – CEO, Teichos Energy, LLC