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| PENNSYLVANIA PUBLIC UTILITY COMMISSION **HARRISBURG, PENNSYLVANIA 17120** |

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| Policy Statement in Support of Pennsylvania Solar Projects |  | Public Meeting September 16, 2010  2140263-LAW  Docket No. M-2009-2140263 |

**JOINT STATEMENT OF**

**COMMISSIONERS ROBERT F. POWELSON**

**AND JOHN F. COLEMAN, JR.**

We wish to begin by expressing our strong concerns with any legislative attempts to increase the current Alternative Energy Portfolio Standards Act (“AEPS”) requirements. In our view, it is critically important that we not change the legislative provisions in order to promote one renewable source over another. We also want to stress that additional AEPS mandates on the solar front warrant open and honest debate on compliance costs as well as the impact on ratepayers going forward. We are deeply concerned with forcing consumers to pay for additional solar energy at a cost that is three to four times higher than other generation sources.

We also firmly believe that solar renewable energy credits (“SRECs”) should not be based on an artificially established floor price. The SREC market should be permitted to develop, unencumbered. Moreover, we strongly believe that agreements to purchase SRECs should not be mandated to have terms beyond 10 to 15 years in length.

With that being said, we would like to add our thoughts to the solar energy policy statement currently before us.

First, EDCs should be provided additional flexibility to manage SRECs through: 1) the extension of bank-life of purchased SRECs to five years beyond their vintage; and 2) prior to the expirations, any unused SRECs may be monetized, with any loss or gain on the sale to be borne by/shared with customers. This will permit EDCs that do not have an immediate need to participate in the SREC market.

Further, our hope is that the guidance provided today will also serve to support distributed generation solar projects completed under our Act 129 compliance programs. Additionally, to the extent that an EDC contributes capital to a solar project under a Commission-approved Act 129 compliance program, the EDC should have a right of first refusal to purchase any SRECs attributable to such a project.

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ROBERT F. POWELSON JOHN F. COLEMAN, JR.

COMMISSIONER COMMISSIONER

DATE: September 16, 2010