



ADDING VALUES TO STRONG PERFORMANCE.

February 5, 2018

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Docket # M-2017-2631527**

RE: Comments on the Proposed Implementation of Act 40 Solar Credits Legislation

Dear Secretary Chiavetta:

On behalf of Friends Fiduciary Corporation, I am respectfully writing in regards to implementation of Act 40 (2017) at the Pennsylvania Public Utility Commission.

Friends Fiduciary Corporation is a Philadelphia-based investment management company that manages over \$480 million in funds for more than 360 Quaker meetings, churches, and organizations across the country. Our investment philosophy is grounded in the beliefs of the Religious Society of Friends (Quakers), among them the testimonies of peace, simplicity, integrity, and justice. As an investor, we look at clean energy not only as a way to mitigate climate risk but also as an important investment opportunity.

The clean energy sector is booming, and Pennsylvania can reap the economic benefits that clean energy has to offer by enacting policies that support a thriving, competitive, home-grown clean energy industry. Local solar projects yield local investments, jobs, tax revenue, and opportunities for all to reap the financial benefits of affordable, predictable electricity prices.

Friends Fiduciary Corporation understands that the intent of the language in Act 40 was to only allow solar projects located within the Pennsylvania to qualify for selling solar renewable energy credits. If implemented as legislators intended, Act 40 would allow Pennsylvania to reap the economic benefits of a growing, thriving local solar industry right here at home. Continuing to allow out-of-state solar generators to sell solar renewable energy credits in Pennsylvania will not help build Pennsylvania's solar industry.

I respectfully submit my recent opinion-editorial piece, which ran in the Philadelphia Business Journal on January 11, 2018, as comments for the Commission. The piece can also be accessed [at this link](#).

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jeffery W. Perkins", with a long horizontal flourish extending to the right.

Jeffery W. Perkins  
Executive Director  
Friends Fiduciary Corporation

*Addendum: Opinion Editorial appearing in the Philadelphia Business Journal, Jan. 11, 2018.*

# PHILADELPHIA BUSINESS JOURNAL

Energy

## Fix to solar credit will boost state's economy



By Jeffery W. Perkins – Guest Comment  
Jan 11, 2018, 12:05pm EST

Green jobs are being created at more than 12 times the rate of the rest of the economy, but Pennsylvania has been missing out on this growth because of a legal loophole. The good news is that the Pennsylvania General Assembly recently closed the loophole which allowed jobs and investment dollars for solar energy projects to flow out of state for over a decade. If implemented as intended by the legislature, the Solar Energy Credit legislation (Act 40) will be a significant step in boosting clean energy investment in the Keystone State and signals to the burgeoning solar industry that Pennsylvania is open for business.

Pennsylvania's 2004 Alternative Energy Portfolio Standard (AEPS) requires utilities to source a modest 0.5 percent of our electricity from solar energy by 2021. Unfortunately for Pennsylvania, nearly 80 percent of the registered solar credits used to meet and exceed that goal have come from out-of-state projects. That means other states are benefiting from the policy that was intended to spur local investments and create cleaner electricity in our state.

Unfortunately, at the very end of 2017, the Pennsylvania Public Utility Commission (PUC) issued an initial interpretation of Act 40 that would grandfather in out-of-state solar facilities and therefore void the host of benefits for Pennsylvania's economy that the legislature had intended. Under Act 40 as intended by the legislature, only solar facilities located within the state would qualify towards our solar energy goal. By limiting out of state solar energy credits, Pennsylvania would encourage more investment in local solar jobs and investments.

As an investment management company, Friends Fiduciary Corp. looks at clean energy not only as a way to mitigate climate risk but also as an important investment opportunity. We know that investing in clean energy like wind and solar supports the commonsense Quaker values of good stewardship and preserving community. We also know that you do not have to sacrifice principles for performance. The clean energy sector is booming.

Local solar projects yield more local investment, solar installation and maintenance jobs, local tax revenue, and opportunities for Pennsylvania farmers, landowners, residents and anyone who owns a roof or enough land to reap the financial benefits of affordable, predictable electricity prices. In Philadelphia, groups like Earth Quaker Action Team and Philadelphians Organized to Witness, Empower, and Rebuild are asking PECO to source 20 percent of its electricity from community owned solar, which these groups estimate could create 2,700 jobs. Fostering local solar growth can also make Pennsylvania's solar industry more competitive compared with other states whose solar industries are soaring ahead of ours.

The Act 40 legislation, if implemented properly, would also make the state more attractive to the growing number of businesses (like Amazon) looking to power their operations with renewable energy and for clean tech manufacturers looking for a clean energy economy in which to grow their business.

Thanks to the legislation championed by state Sen. Mario Scavello (R-40th District), Pennsylvania solar businesses and consumers should be able to keep the benefits of the AEPS right here at home. In- and out-of-state investors will realize the value of locating renewable energy projects here, and Pennsylvanians across the state will benefit from cleaner air.

While this is a step in the right direction, more must be done to ensure the state remains competitive in the inevitable transition to a clean energy economy. With the decreasing cost and increasing appeal of renewable energy, investment in clean energy is growing. We need our lawmakers to set clear, strong, consistent clean energy policies to attract investors and create more jobs and clean energy for Pennsylvania. But first, we need the PUC to implement Act 40 as the legislature intends in order for Pennsylvanians to reap its full economic benefits.

*Jeffery W. Perkins is executive director of Philadelphia-based Friends Fiduciary Corp., one of the oldest asset management companies providing socially responsible investment management services consistent with Quaker values.*