

As President and CEO of Meadow Valley Electric Inc. of Ephrata, PA, I am here today to advocate for House Bill 1580. We are an electrical contracting company that employs approximately 70 residents of Pennsylvania. We were founded in 1973 and deliver a large variety of services, all connected to the electrical industry in one form or another. We see Solar PV installations as one of the offerings that should allow us to sustain and grow our work force in the years to come.

In recent years, our customers have found energy efficiency and peak electrical load shedding as an important means of remaining financially stable. We have been actively involved in helping our customers save money and energy by upgrading their lighting systems and providing generation systems that provide power during the summer peak. Both these activities, the lighting upgrades and the demand response, generation installations, receive incentives from the owners of Electric grid, as required by the Pennsylvania Public Utility Commission, Act 129 and the PJM, due to their benefits to the electric grid at its most vulnerable time -- the summer peak.

We believe Solar PV, in much the same way, has the potential to improve the reliability of the electric grid if systems are designed properly and placed appropriately.

Since the vast majority of electricity in the Commonwealth is distributed via regulated utilities, small business such as Meadow Valley Electric Inc. and Private Solar PV customers have no choice but to request financial support from the regulating entities. The support we seek is simply that a reasonable value be assigned to the production of clean, distributed generation that is used in the location of its production. In other words we feel strongly that clean, electrical power, produced at one's home or business and used nearby, is of much greater value than power produced far away and sent down long transmission lines.

All electrical systems are weakest at the moment of highest temperature. The same is true for the electrical grid. Solar PV naturally produces power at 2pm on the hot summer day, the very moment the grid is most vulnerable to its worst enemy, heat. Therefore, Solar PV, properly installed, benefits the electric grid and makes it more reliable.

Frankly, as an American in the electrical industry, I took great offense when my local utility offered me and other homeowners \$35 to turn off my air conditioner on July and

August afternoons. Not that I am opposed to conservation or sweating a little, but there is a better way: properly installed Solar PV!

The alternative energy credit market was set up to address the financial needs of Solar PV Owners; however, recently the AEC market has collapsed due to a number of flaws in the original law.

HB 1580 addresses two important issues necessary for the Solar PV to have the desired impact on the current electric grid.

First, HB1580 requires systems to be installed within the state in order for our state ratepayers to have any obligation to help fund their cost. This only makes sense and in our view fixes a very large oversight in the original bill.

Second, HB1580 increases the near term amount of Solar PV Kilowatt hours that the owners of the electrical grid will be required to incentivize. This, in our opinion is also necessary, as recently Solar PV installations have been inadequately compensated due to oversupply based on the current requirement. This has led to an unforeseen and unjust financial burden on the owners of Solar PV systems in the state of Pennsylvania.

HB1580 is not a perfect bill, but goes a long way toward justly compensating owners of Solar PV arrays attached to the electrical utility's grid in Pennsylvania.

In closing, I would like to leave you with this:

Establishing an equitable rate for energy created by Solar PV will not be an easy thing and will be open to much debate. However, it is our view that in the cases where Solar PV provides clean, distributed generation, located at the point of use, it should always get the benefit of the doubt when its value is being assessed.

Barry L Miller

President of Meadow Valley Electric Inc.

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