



Sierra Club Pennsylvania Chapter
PO Box 606
Harrisburg, PA 17108
717-232-0101 Fax: 717-238-6330
pennsylvania.chapter@sierraclub.org

Thank you, Chairman Godshall and members of the House Consumer Affairs Committee, for receiving and considering these comments. My name is Justina Wasicek, Co-Chair of Energy Issues for the PA Sierra Club, which has 24,000 members in Pennsylvania.

The Committee has a great opportunity to “hit a triple” in approving HB 1580: it keeps and grows jobs right here in Pennsylvania, 2) it is low- risk, only providing a temporary bump, not changing the overall goals of the AEPS, and 3) it helps us to improve our air and water quality by reducing our reliance on polluting sources of energy.

The advantages to House Bill 1580 are recognized by the 113 co-sponsors who have signed on to Rep. Ross’s Solar Jobs Bill. HB 1580 is vital to protecting solar jobs and helping the environment in Pennsylvania.

Let’s keep the jobs that the solar industry has created here. Pennsylvania ranks fourth in the U.S. in terms of solar jobs. In 2010, we had 6700 self-reported solar jobs. These are well paying and a boon to the economy. In 2010, the rate of solar job growth in Pennsylvania was the second fastest in the country.

Critics have said that solar was not a viable option, yet PASEIA reports that there are now over 3,700 registered solar systems statewide, and Pennsylvania has 71 Megawatts of installed solar energy capacity. There are over 600 solar installers registered with DEP. However, the livelihood of these workers is now at serious risk; already, the number of solar jobs reported in PA for 2011 is estimated at 4700 jobs. Also at risk are the hundreds of solar projects that are ready to go, but whose developers need confidence in a reliable market for solar credits, so that they can attract financing.

The growth of the solar industry in Pennsylvania far exceeded the expectations that governed the standards under the Alternative Energy Portfolio standards Act. Under the AEPS, Pennsylvania utilities are only required to buy 0.5 percent of their total electricity supplied from solar by the year 2021.

Our supply of solar power is now more than the required demand—in fact, the supply is 4 times more than the amount scheduled to be purchased by utilities under the AEPS. To make matters worse for PA job prospects, our neighboring states have higher requirements for the purchase of solar power: for instance, Maryland’s solar requirement is 0.1 % for 2012 (twice PA’s current solar requirement for this year). HB 1580 would make PA competitive with Maryland by increasing the PA solar requirement to 0.15% for 2012-2013. We need HB 1580 in order to bring Pennsylvania’s market for solar energy renewable credits (SRECS) in line with our neighboring states, to keep the jobs we have created here. It

would be a needless waste of the programs and incentives we have successfully instituted, if we allow the PA markets to collapse and these companies move out of state.

The supply of solar power has so exceeded the AEPS requirement that the price for the solar credits has fallen drastically. Without a reliable market for solar credits, financing for continuing and new projects becomes much harder to obtain. **The solution offered by HB 1580 is simple, effective, and low risk.** HB 1580 would incrementally increase the percentage of solar required to be purchased by utilities over the next three years, while still not exceeding the amount scheduled to be purchased at the end of that period. Then the solar share requirement would resume the scheduled percentages already set by the existing AEPS. No overall change is made to the end goals of the AEPS, but this short term “bump” in the requirements would close the gap between the growth in the solar industry and the scheduled solar share required by the AEPS. HB 1580 would allow solar companies and their jobs to stay in Pennsylvania – along with all the associated infrastructure, markets and ancillary services that also benefit from these solar companies. Increasing the AEPS requirement will protect jobs and help us to create new ones.

Finally, there is an important environmental advantage to keeping and growing the solar industry in Pennsylvania. Using clean, renewable solar energy reduces our reliance on dirtier sources of energy. Historically, there have been government incentives for other energy industries in the US. In September 2011, Pfund and Healey published a documentation of national energy incentives called “What Would Jefferson Do? : The Historical Role of Federal Subsidies in Shaping America’s Energy Future”. They discuss a variety of government incentives that the coal industry has received, from specialized tax treatment of income as royalty payments, resulting in lower capital tax gains rate (worth \$1.5 Billion from 2000-2009), to state-sponsored geological surveys, to infrastructure support that facilitated extraction.

In regard to nuclear power, the nuclear industry received huge incentives when the Price- Andersen Act provided federal indemnification of utilities in the event of nuclear accidents. Nuclear power has been and continues to be subsidized. The Union of Concerned Scientists points out that nuclear power has been subsidized with tax incentives, loan guarantees, and liability-shifting to the public sector. The UCS states that ongoing subsidies range from 13 to 80 percent of the value of the power produced. On a national basis, Pfund and Healey found that “nuclear subsidies accounted for more than one percent of the federal budget over the industry’s first 15 years”, and noted that “in inflation adjusted dollars, nuclear spending averaged \$3.3 billion over the first 15 years of subsidy life, oil and gas subsidies averaged \$1.8 billion, while renewable averaged less than \$0.4 billion.” As the authors note, this “clearly demonstrates that federal incentives for early fossil fuel production and the nuclear industry were much more robust than the support provided to renewables today.”

Government has in the past encouraged and facilitated fossil fuel industries. Now, however, it has become clear that reliance on fossil fuels harms the public health and our environment. Coal-fired power plants emit mercury and other pollutants into our air, washing into our streams and rivers, tainting fish, and ending up in our bodies. Mercury pollution damages our brains and nervous systems, and it is especially dangerous for pregnant women and young children. Mercury exposure can cause

developmental problem and learning disabilities. Coal-fired power plants emit a variety of pollutants, which contribute to smog and worsen breathing problems like asthma, especially in young children.

Clearly, older energy industries like coal and nuclear have not been left to fight it out in the marketplace in the decades of their early development. Many of their costs have been externalized and absorbed by government to promote these energy sources.

We have now experienced reactor failures at Three Mile Island and Fukushima, highlighting the risks to the people and to the water, land, and air around these plants. Nuclear waste has no permanent safe disposal method and it lasts for thousands of years.

Older fuel sources such as nuclear and coal have received government subsidies and support, that externalize their true cost of producing energy. They also pose serious problems to the public health and environment. One way to reduce these risks is to promote safe and healthy sources of energy, like solar. (As Sierra Club has pointed out before, asthma attacks are not triggered by solar panels.)

This is your opportunity to keep a clean, healthy, safe source of energy in Pennsylvania. Now is the time to protect solar jobs and the environment, with the very conservative action of a temporary bump to the AEPS requirements. PA Sierra Club asks you to pass HB 1580 out of committee.



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Contact:
Jeff Schmidt, Director, Sierra Club PA Chapter, 717-232-0101

Pennsylvania House Committee Holds Hearing on Solar Jobs Bill

Bill is Stopgap Measure to Save Pennsylvania Jobs, Clean Energy Economy

Harrisburg, PA – On January 11th, the Pennsylvania House Consumer Affairs Committee held a public hearing on HB 1580, a bill sponsored by Rep. Chris Ross which would offer critical stopgap support to the state’s solar energy industry. The Sierra Club’s Pennsylvania Chapter presented testimony in support of the bill, noting its bipartisan support and 113 co-sponsors, and urging the committee to move the bill quickly to a final vote to ensure that the solar industry is able to maintain its current workforce in the state.

“The Committee has a great opportunity to ‘hit a triple’ in approving HB 1580,” said Justina Wasicek of the Sierra Club. “The bill keeps and grows jobs right here in Pennsylvania by providing a temporary bump without changing the overall goals of the state’s solar energy program, and it helps us to improve our air and water quality by reducing our reliance on polluting sources of energy.”

HB 1580 would revise the Alternative Energy Portfolio Standard (AEPS) percentages to ensure that residents and local businesses that install solar panels are able to rely on a stable market for the energy they produce. Without the guarantee of a market that more closely matches supply with the demand as laid out in the AEPS, solar installations would decline and the solar industry—which provides 6,700 jobs across the state—could be forced to lay off solar workers in Pennsylvania.

The current standard laid out in the AEPS requires 0.5% of the state’s electricity sales to be met by solar energy—a standard much lower than neighboring states like Delaware (3.5%), Maryland (2%) and New Jersey (3%). Though HB 1580 would not increase the requirements in the AEPS, which rise over time, it would increase the rate at which, over the next three years, the percentage will rise to meet its goal.

HB 1580 is necessary in large part because solar installations have proven to be more popular in the state than expected and exceed the goal set by the AEPS. "Critics have said that solar was not a viable option, yet Pennsylvania ranks fourth in the U.S. in terms of solar jobs—and in 2010, the rate of solar job growth in Pennsylvania was the second fastest in the country," said Wasicek. "HB 1580 will allow us to keep growing this critical segment of Pennsylvania's economy at a time when we need jobs most."

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