



Industrial Energy Consumers of Pennsylvania

November 11, 2019

Re. HB 1970 (Mizgorski) Local Solar Program - AMEND

Dear Chairman Roae and Minority Chairman Matzie -

On behalf of the Industrial Energy Consumers of Pennsylvania (IECPA) and its member companies representing over 25,000 employees statewide, we are writing today regarding HB 1970 (Mizgorski) – establishing the local solar program. IECPA appreciates the goals of HB 1970 and the intent, as expressed in the co-sponsor memo dated September 20, that the PA local solar program, “Pays for itself, without other customers subsidizing it.” However, we have concerns regarding the bill language in section (d) cost recovery and section (h) compensation to the electric distribution company:

“(d) Cost recovery.—

- (1) The cost of development of the local solar program shall be factored into the rate charged to subscribers for energy usage.
- (2) An electric distribution company shall be allowed to recover costs of program implementation, from each customer, subject to commission approval”

While Section (d)(1) seems to indicate that the cost of this program will be recovered from the EDC customers that subscribe, Section (d)(2) could/would readily be interpreted to allow “program implementation costs” to be recovered from all customers, regardless of whether they subscribe to the solar program. Section (h) is also unclear as to what customers the electric distribution company may recover reasonable administrative costs.

We respectfully requesting that your Committee consider amendments to delete Section (h) and adjust Section (d)(2) be to clarify that the costs will be recovered from subscribing customers as noted below and in the attached mark-up.

- (2) An electric distribution company shall be allowed to recover costs of **the program including** implementation **and reasonable administrative costs**, from each **subscribing** customer, subject to commission approval”

Sincerely,

Rod E. Williamson
IECPA Executive Director

IECPA Member Companies: Air Products & Chemicals, AK Steel, Arconic, ArcelorMittal USA LLC, Benton Foundry, Carpenter Technology, Domtar Paper Company, East Penn Manufacturing, Keystone Cement Company, Knouse Foods Cooperative, Praxair, Inc., Procter & Gamble Paper Products, United States Gypsum Corporation

The Voice of Large Energy Consumers In Pennsylvania

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