

March 5, 2010

The Pennsylvania Public Utility Commission Attn.: Secretary James J. McNulty P.O. Box 3265 Harrisburg, PA 17105-3265

RE: Policy Statement in Support of Pennsylvania Solar Projects Docket No. M-2009-2140263

Dear Mr. McNulty,

Community Energy, Inc. (CEI) appreciates the leadership efforts of the Pennsylvania Public Utility Commission in recognizing the need for improved policies in order to kick start the solar market in Pennsylvania. CEI has worked with the Solar Alliance (SA) throughout the comment period and fully supports the comments made by SA with reference to the above-captioned matter. CEI would like to emphasize two key points made by SA.

- Regulatory or Change-in-law Risk Financing entities looking to place capital in Pennsylvania will likely reject contracts which allow for termination by the buyer if the AEPS changes, and the project no longer qualifies under the law. This result will narrow the market, making SREC pricing less competitive for the ratepayers. CEI, in alignment with SA, believes the utilities are better able to manage this risk and recommends that the standard agreement not place this risk on the solar developers.
- Considerations for large systems. CEI supports standardization of contracts for reasons provided in SA's comments; however, we believe it is problematic to fully pre-negotiate a contract for larger projects at this nascent stage of the market when critical project finance parties have yet to enter. We recommend allowing for the negotiation of minor contract provisions during the selection process for larger projects as it will create a more competitive market for new supply.

Thank you for your consideration of these comments.

Sincerely,

Brent Beerley

**Executive Vice President** 

Community Energy, Inc.

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