

BEFORE THE PENNSYLVANIA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF)
THE TENTATIVE ORDER ON)
THE INVESTIGATION OF PENNSYLVANIA’S) DOCKET I-2001-2237952
RETAIL ELECTRICITY MARKET:)
RECOMMENDED DIRECTIVES ON)
UPCOMING DEFAULT SERVICE PLANS)

COMMENTS OF THE SOLAR ALLIANCE

The Solar Alliance appreciates the opportunity to comment on the Pennsylvania Public Utility Commission (Commission’s) Tentative Order regarding recommendations concerning the format and structure of the EDCs’ upcoming default service plans.

The Solar Alliance is an association of over 30 photovoltaic (PV) solar companies in the United States, representing the entire value stream from solar manufacturing, investment and financing, to development and installation. We work with state policy makers and regulators to establish cost effective and successful solar policies and programs. We strive to increase the number and capacity of PV installations of all types, ensuring the market is vibrant, competitive and diverse.

On September 16, 2010, the Commission adopted a final policy statement (Docket No M20092140263) *recognizing the importance of long term contracts for Alternative Energy Credits* for the development of solar projects. The goal of this policy statement, based on the efforts of the PUC stakeholder working group, was to strengthen the solar industry by providing more credit price certainty for solar alternative energy credits and to reduce or eliminate barriers to solar project development. In writing these comments, the Solar Alliance seeks to preserve this mechanism for long-term contracting, instituted by the Commission, which has proven to be an effective method

for both encouraging project development and reducing the overall cost of AEPS compliance. With seven (7) solicitations to date amounting to 30,200 MWh/yr, and at prices below the weighted average SREC prices, this mechanism should be considered a proven success.

Specifically, the Solar Alliance directs its comments to the following statement on page 5 within the Tentative Order: “the Commission recommends that EDCs consider using already existing long term contracts from previous or presently effective default service plans to satisfy compliance with the long term contract mandate of 66 Pa. C.S. § 2807(e)(3.2)(iii)”.

In light of the Sept 16th Final Policy Statement Order, **the Solar Alliance respectfully urges the Commission to clarify that the Tentative Order recommending EDCs use existing long term contracts to satisfy compliance with long term contracting mandates in their upcoming Default Service Plans does not apply to the procurement of solar alternative energy credits.** Without such clarification, the Commission risks undermining the policy statement and objectives so clearly defined in the September 16th policy statement.

Thank you for your consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Katie Bolcar', with a long horizontal line extending to the right.

Katie Bolcar
Director, Mid-Atlantic
The Solar Alliance

Dated: November 3, 2011