

Proponent Testimony by Erica McConnell on House Bill 197  
Staff Attorney, Environmental Law & Policy Center  
House Public Utilities Committee  
September 20, 2023

Chairman Stein, Vice-Chair Robb Blasdel, Ranking Member Weinstein, and members of the House Public Utilities Committee, thank you for the opportunity to submit proponent testimony regarding House Bill 197. My name is Erica McConnell and I am an attorney for the Environmental Law and Policy Center (ELPC). ELPC is a regional organization that works on energy issues in states across the Midwest. ELPC has consistently supported solar development in Ohio as an important component of a balanced energy portfolio for the state.

ELPC supports HB 197 because it offers a fair and reasonable approach to encouraging the development of community solar in Ohio. The pilot program proposed in HB 197 reflects many of the best practices and lessons learned from other states that have already implemented community solar programs.

Community solar refers to relatively small-sized solar projects located in Ohio and connected to the utilities' distribution systems. These projects provide power to the state's utilities, and allow customers to support clean energy and save money on their bills by subscribing to a portion of a solar project owned by a private developer. Individual customers can sign up with community solar companies and then receive bill credits commensurate with their share of a community solar project on their electric utility bills. Community solar offers these customers a chance to benefit directly from solar energy when they cannot, or perhaps do not want to, install solar panels on their own roofs.

Community solar also benefits all utility customers, *whether or not they participate in the pilot program*, through avoided generation, transmission, and distribution costs, which would otherwise be passed through to ratepayers, and other benefits of locally produced renewable energy. It will help Ohio meet its capacity needs and—since solar tends to generate when it is sunniest and hottest, and when customers are running their air conditioners at full steam—it can provide especially high-value generation when the system most needs it. Plus, community solar produces no pollution and benefits all Ohioans by helping with our air quality.

HB 197's pilot program allows for 1500 megawatts of community solar development. Developers can site 1000 megawatts anywhere in the state. These 1000 megawatts will be phased in annually in 250-megawatt increments, which will allow the utilities to gain experience with community solar projects in a gradual manner. Moreover, the 1000 megawatts will be allocated proportionally across the service territories of all four electric distribution utilities, which will ensure that no one utility is overburdened with projects and development takes place throughout the state. The remaining 500 MW of community solar is set aside for distressed sites, including brownfields. In addition, HB 197 establishes a solar development program, which allows for another 250 MW of community solar or other solar development on distressed sites in the Appalachian region. ELPC is particularly supportive of the development of solar projects on brownfields and other distressed sites because such projects will not only help clean up these sites, they will bring jobs to these regions and help with air quality over time.

Finally, I note that HB 197 envisions having the Public Utilities Commission develop more detailed rules for the pilot program, including determining the appropriate community solar bill credit pricing based on considerations outlined in the legislation, in sections 4934.08 and 4934.09. These provisions identify certain elements that the Commission will have to consider in setting a bill credit, which include both the

benefits and the costs of community solar projects. The legislation strikes a reasonable balance—it sets up a framework, and then allows the Commission to consider the bill credit in more depth with input from utilities, solar companies, consumer advocates, environmental groups like ELPC, and other interested parties.

HB 197 also specifically requires the Commission to implement various consumer protection requirements. These include developing a standardized customer disclosure form, prohibiting upfront sign-on fees or credit checks, and preventing early termination charges to any customer that unsubscribes. Such consumer protections are reasonable and appropriate, and the Commission has the discretion to implement further measures, as well.

In sum, ELPC believes that the community solar pilot program laid out in HB 197 will provide Ohio utility customers an opportunity to benefit with both bill savings and a cleaner environment. It constitutes a good start to community solar and we urge the Committee to pass it quickly. Thank you and I would be happy to answer any questions.