

Testimony of Justin Biltz, Cypress Creek Renewables

To the

House Public Utilities Committee — Testimony for H.B. 197

April 24, 2023

Dear Chairman Stein, Vice Chair Robb Blasdel, Ranking Member Weinstein and Members of the House Public Utilities Committee,

Thank you for giving Cypress Creek Renewables (CCR) the opportunity to submit comments on Ohio's community solar legislation, H.B. 197. CCR is a leading solar and storage developer, owner, and operator with projects and generating facilities across the county. Founded in 2014 and with over 400 employees, our team is engaged in solar and storage projects at both community-scale as well as utility-scale. CCR strongly supports passage of the community solar program contained in H.B. 197.

I oversee government and regulatory affairs for our community solar business across the country. In my role, I work with policymakers, utilities, and other stakeholders, to develop and implement best practices that ensure community solar programs provide savings to customers and benefits to the states and municipalities that host projects. I am also a resident of the state of Ohio.

Community Solar Overview

Community solar allows the private sector to work in collaboration with local utilities to provide local energy to communities and reduce costs to customers. Community solar refers to third-party owned solar facilities providing energy to multiple subscribers who receive credits on their electric bills for their share of the power produced. Today, more than 50% of American households and businesses do not have access to solar due to common barriers such as roof attributes, financial limitations, or property ownership. Community solar provides anyone who pays an electric bill access to solar energy without the need to install a solar system on site. It creates competition in the utility sector, drives down electric prices, provides bill savings and energy choice for customers, stimulates local economies and diversifies our generation sources.

H.B. 197 Overview

Community solar legislation was first introduced in Ohio in 2021 under H.B. 450. Since the introduction of that legislation, many hearings and stakeholder meetings have taken place where feedback has been received on the legislation. H.B 197 was introduced in 2023 and has been amended to incorporate the feedback of interested stakeholders, which has improved the bill. H.B. 197, as it exists today, would enable a viable pilot program for community solar across all regions of the state.

H.B. 197 establishes a pilot program with 1,500 megawatts of community solar generation. The energy produced by 1,500 megawatts of community solar represents less than 2% of Ohio's retail electricity sales. Key features of H.B. 197 include the following:

Guaranteed electric bill savings: Subscribers to the community solar facilities will receive a guaranteed electric bill savings.

Development of greenfield and distressed locations: The pilot program allows for 1,000 megawatts to be developed on greenfield locations providing extra income to farmers and other property owners. The pilot program also allows for 500 megawatts to be developed on distressed and brownfield locations.

Private investments and upgrades to the electric grid: The community solar program requires project developers to pay for the cost of any upgrades needed to interconnect the system to the utility grid. This provides private investment in the grid to increase resiliency without the utility needing to seek recovery of an investment from customers.

Consumer protection: The PUCO will oversee and administer the rules of the pilot program, ensuring consumer protection requirements are in place.

Pilot review: The PUCO will review the pilot program after implementation and will submit a report to the General Assembly regarding its findings and any proposed changes.

Community Solar is One Piece of Ohio's Generation Solution

Ohio has seen a large amount of generation retire over the last decade, and we continue to import a large amount of power from adjacent states who receive the economic benefits of hosting generating facilities. Meanwhile, Ohio is experiencing load growth due to increased economic development and electrification in the region. The program in H.B. 197 is a reasonable and balanced way to see more generation built in Ohio from private investment. Community solar projects can be brought online quickly to help Ohio address its desire to see more in-state generation. Community solar projects can be brought online quickly for a couple reasons, including:

- Projects are connected to the utility distribution system, avoiding the need to go through lengthy processes that larger transmission-scale projects are subject to.
- Community solar projects sized at five (5) to ten (10) megawatts consume 35-80 acres of land, making local zoning, siting, and construction quicker.

Enabling community solar through H.B. 197 would represent 2% of Ohio's retail electric sales, so it is not the only generation solution that should be considered. However, this program is ready to be implemented now and would be an important step in the right direction to Ohio's generation mix.

Cost Benefit Analysis

CCR has reviewed the Cost-Benefit Analysis of the community solar program contained in H.B. 197 submitted by Karl Rabago. We find Mr. Rabago's analysis to be reasonable and consistent with how these types of studies are conducted in other jurisdictions. Mr. Rabago concludes that the community solar program would result in minimal cost or a net benefit to all customers, depending on the scenario, and we

agree with his conclusion. We find Mr. Rabago’s analysis to be reasonable for the legislature in consideration of H.B. 197.

AEP’s analysis produced in its January 24, 2024 testimony stated that non-participating customers would pay \$5 per month for this program. AEP’s analysis is flawed in that it makes no attempt to quantify any benefits associated with H.B. 197. That is, AEP does not present a cost-benefit analysis, and rather puts forth a “cost-only” analysis. AEP fails to consider the avoided energy and capacity purchases it would no longer make as a result of having community solar generation in its service territory, as identified in Mr. Rabago’s cost-benefit analysis. Also, AEP fails to consider benefits that accrue to all customers from avoided transmission investments. When utilities seek approval of programs through the PUCO, such as grid modernization programs, they routinely submit a cost AND benefit analysis to justify adoption of the proposed program. As such, it would be unreasonable to not include benefits when considering adoption of a community solar program.

Conclusion

Ultimately, passing H.B. 197 will save Ohioans’ money while building a stronger electric grid and benefiting our communities with a variety of economic benefits. CCR looks forward to continuing working with all members of the committee to bring this new economic opportunity to our state.

Sincerely

Justin Biltz
Cypress Creek Renewables

About Cypress Creek Renewables

Cypress Creek Renewables is a leading renewables developer and independent power producer. It develops, finances, owns, and operates utility-scale and distributed solar and energy storage projects across the United States with a mission to power a sustainable future, one project at a time. Since inception, Cypress Creek has developed 12GW of solar projects. Today it owns more than 2GW of solar and has a 30GW solar and storage pipeline. Cypress Creek’s leading O&M services business, Cypress Creek Solutions, operates and maintains more than 4GW of solar projects for customers across 24 states. For more information about Cypress Creek, please visit [ccrenew.com](https://www.ccrenew.com).