

August 31, 2020

To:

Rep. Brad Roae, chair, House Consumer Affairs Committee;

Rep. Robert Matzie, Democratic Chair, House Consumer Affairs Committee

Dear Chairman Roae, Matzie and Committee Members:

Thank you for giving Pennsylvania Farm Bureau the opportunity to provide written comments in support of solar energy in Pennsylvania, particularly House Bill 531. We are calling on the General Assembly to pass the bill this year.

Our members have significant interest in the development of home-grown energy. That interest includes using their farms for renewable source of electricity. Our farmers are right now using solar on their property to offset their energy uses and save money. Farms are often energy intensive enterprises. Previous government incentives through grants and tax credits helped make it affordable for farmers to install solar panels to offset their energy usage. The net result is that many farm families see a practical business value of making renewable energy part of their farm, but also see the larger benefit that solar and other renewable energy sources can have in making our nation more energy independent.

According to the latest federal agriculture census, more than 4,100 farms in Pennsylvania use some form of renewable energy. Of that number, the greatest percentage is in solar panels. Census data shows that as of 2017, 2,800 farms had installed solar panels, a growth from 1,500 since the 2012 agriculture census. Overall, renewable energy use on farms almost doubled in that five-year period.

Clearly, farm families have a vested interest in renewable energy and using their lands and buildings to generate home-grown power. That being said, installing solar power can be expensive and not every farm can afford the capital expenditure of putting panels on their roofs. That is why we are supportive of initiatives like community solar development, that can spread the cost and ownership of a solar energy system between multiple people.

We see the potential for broad partnership on community solar, tying the unique benefits of agriculture land and property with the individuals, organizations and businesses that want to use renewable energy.

Unlike many homeowners, farm properties often have the space capacity to host a solar project—whether it's on farm ground or barn roofs. Community solar will give farm families and others the chance to partner together on a solar project. Each will receive the benefit of credits on their electricity bills while also sharing the costs of installing a project.

Over the past six months, Pennsylvania Farm Bureau has noticed a significant uptick in interest from solar companies looking to lease farm ground in Pennsylvania. This has not been a one-off inquiry, but a steady stream of interest from multiple solar companies looking at both commercial scale, and community solar energy projects. Clearly, these companies are seeing untapped potential in Pennsylvania in terms of solar development.

In meeting with solar companies that are looking to partner with farmers on renewable energy projects, we have reiterated the need for those companies to be transparent in their leasing process. We want to make sure that farmers are well informed, and also retain professional legal services, before entering into long-term leases. Agriculture learned some difficult lessons in some natural gas leases during our last energy boom, and we want to make sure that those same issues and concerns are not carried forward with renewable energy leases. State government has a two-fold role in this area: creating a business environment that will foster growth of renewable energy; while also ensuring that landowners are protected in leases.

This new interest in solar energy development is coming at a time when farmers have been grappling with a depressed farm economy. Even before the COVID-19 crisis upended markets, farmers had been trying to weather several years of low commodity prices. Solar leasing could present farmers with a secondary source of income that can offset years of losses.

At the same time, farmland is valuable and finite resource. We never want to see our best farmland destroyed forever by development. What makes solar energy an

attractive option for farmers is the ability to one day use the land under solar farms again for agriculture purposes. Time and again, solar energy companies have stressed that the infrastructure for solar energy is not permanent and that after this equipment has outlived its useful life, it can be removed and the ground once again used for farming. Additionally, many projects are being designed to be compatible with farming—including grazing underneath arrays and the growing of pollinator-friendly crops.

We don't want to lose our productive crop ground for good, but we also want to encourage farmers to make the best economic use of their land. We are hopeful that solar, following proper construction standards, can be a competitive economic use for some Pennsylvania farm ground, while preserving the land for future use.

Pennsylvania Farm Bureau is supportive of community solar, both in the benefit it can provide to farm families, but also the underlying goal of making our nation more energy independent. HB 531 is thankfully one of those pieces of legislation that enjoys bipartisan support, but also support from members who represent rural and urban districts. It has the potential to benefit Pennsylvania's in urban centers, but also in every rural community. It does not require that Pennsylvania peruse community solar projects, but simply removes barriers that prevent their creation. Our organization is encouraging swift action on HB 531 so that this bill can be adopted before the end of session. Solar companies, and farmers, need to see this issue resolved before the start of 2021 so that projects can move forward with a level of predictability.

Regards,



Darrin Youker
Director, State Government Affairs