Testimony of Brent Alderfer,

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to the

Senate Agricultural and Rural Affairs Committee

September 21, 2021

My name is Brent Alderfer, Founder and Director of Community Energy. We are a solar developer of utility and community scale solar headquartered in Pennsylvania. We have developed about 3,000 megawatts in 19 states, including several hundred megawatts of projects in Pennsylvania. Thank you for the opportunity to testify today.

SLIDE 1

I am here today on behalf of a group of solar developers who would like to bring the investment and benefits of solar to Pennsylvania.

The segment of the solar market we are talking about is utility- or grid-scale solar. For reference rooftop solar can power a home and mid-market solar can power multiple homes and businesses, a single utility scale solar facility generates enough energy to power a town, the equivalent of 30,000 homes. Grid-scale solar facilities are designed to send electricity directly into the utility-grid where it flows to all electric customers when they flip the switch, no different than how customers get electricity from natural gas, coal, or nuclear generation.

There is a strong combination of economics that these solar projects bring to rural areas of the state—60 thousand plus jobs, billions of dollars of increased farmer revenue and a like amount in tax revenues.[1]

[1] A typical utility scale solar facility that can power 30,000 homes generates about 250 construction jobs, $165M of total capital investment, $25M in local construction spending, $12.5M in local construction wages, and over $11M in local tax revenue with comparable payments to farmer landowners. Often, utility scale solar facilities are in municipalities with a population under 2,500 people yielding a small tax base. The local tax revenue solar generates is substantial and comes without traditional development pressure or infrastructure costs. Completing build out at scale produces 65,000 jobs in every county across the state and generates 100's of billions in tax revenues and farmer payments.

I am here today to make one point: Solar preserves farmland.

SLIDE 2

We are losing farmland in Pennsylvania. Penn State review this year found we lost 6% of farmland in the state in 5 years. With the loss of that 465,000 acres Pennsylvania has 7.3 million acres of farmland.

SLIDE 3

Farmland is being lost to development. Solar use insulates farmland from that pressure and improves farmland during the 25-to-30 year life of the project—a full generation in the farm family. This is not an academic point about what someone wants to see across the street—it is a matter of economics. Farm economics cannot stand up to development pressure nor should farmers be expected to act against their economic interest to do so. Townships confirm Act 319 and clean and green tax abatement reduce township tax revenues but do not stop development. Solar lease development preserves farms by paying development level revenue to the owner with a guaranteed return of improved farmland to the next generation.

SLIDE 4

Here was one of those farms under pressure south of Lancaster in East Drumore Township. You can see development moving south into this rural township.

This farm was headed for sale and development after its 100-year history as a crop and dairy farm and then poultry farm. The 25-year lease on a solar project pays approximately $1000 per acre—five times the per-acre revenue from crop farming, with no down years. And the rest of this farm at the bottom of the photo remains in crops. Most important a decommissioning bond is posted with the township, as is standard practice for a utility-scale solar, to ensure resources are available to retire the facility at the end of its life. The bond covers the cost of removing and salvaging the solar equipment to return the land to farmland. The land has a bonded guaranty that it will return to farmland. And after lying fallow for that extended period with deep rooted grasses returning organic matter to the soil it will return with improved agricultural value.

Progress now is focused on combining solar and grazing and other agricultural uses during the years the solar is in place to further enhance the farming production. The latest projects are seeking out the areas where partial shading from the panels will improve production.

Contrary to misperceptions that solar takes farmland, land-based solar preserves farmland and does it with private investor dollars rather than with taxpayer dollars or diminished local tax revenues. Additional acreage is preserved on the rest of the farm because of the much-improved steady revenues available to the farmer from the solar acreage--a firm financial hedge against volatility in production from the rest of the farm.

SLIDE 5

To give a picture of what this looks like on the ground, I will leave you with a quick view of our solar project mowing team entering the field with their donkey head coach in the lead.

Thank you for your time today.