

Subject: Williamsport Municipal Electric Light Plant Testimony in Support of HB 494 Altering the Renewable Portfolio Standard Solar Energy Requirements for Municipal Electric Utilities

The Town of Williamsport owns and operates its municipal electric utility in order to provide reliable public power to its community. The Town makes every effort to keep costs of electricity as affordable as possible to its citizens. In order to reduce the costs of wholesale electricity, Williamsport supports House Bill 494 that seeks to extend to municipalities the same solar Renewable Portfolio Standard (RPS) requirement of 2.5% that currently applies to electric cooperatives in the state.

Failure to reduce the Town's solar RPS requirement would result in a significant increase in costs of electricity to its citizens as Williamsport would be required to procure 14.5% of its wholesale power supply from solar renewable energy resources. It is important to note that this bill would not reduce the total renewable requirement of 50% that must be achieved by all utilities in the state by 2030. House Bill 494 would only reduce the amount of renewable energy that must come from solar resources which today is about 10 times more expensive than other non-solar renewable energy resources. One hundred percent of the savings for the Town as a result of this legislation would be completely passed through to the benefit of all its electric customers by reducing their cost of electricity.

Predicting the exact financial impact to the Town is difficult due to the inherent flaws in any future forecasts; however, there is a maximum benefit that can be quantified based on the solar RPS compliance fees. If a utility does not procure the required amount of renewable energy, the RPS allows for an alternative compliance fee to be paid instead of purchasing Renewable Energy Credits from suppliers.

In the case of Williamsport with an average annual energy requirement of 22,000 megawatt hours, the reduction in solar RPS compliance fees for the Town as a result of this bill ranges from approximately \$100,000 in 2021 to \$60,000 in 2030 and beyond. These reductions in the solar RPS compliance fees represent significant percentages of 7.0% and 4.7% respectively relative to the Town's total power supply costs.

Regards,  
Mayor Bill Green  
Town of Williamsport