

ONE HUNDRED SEVENTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

July 1, 2021

Mr. Kiran Bhatraju
Chief Executive Officer
Arcadia
555 11th Street NW
Washington, DC 20004

Dear Mr. Bhatraju:

Thank you for appearing before the Subcommittee on Energy on Tuesday, April 20, 2021, at 10:30 a.m. (EDT), at the hearing entitled “Generating Equity: Deploying a Just and Clean Energy Future.” I appreciate the time and effort you gave as a witness before the Committee on Energy and Commerce.

Pursuant to Rule 3 of the Committee on Energy and Commerce, members are permitted to submit additional questions to the witnesses for their responses, which will be included in the hearing record. Attached is a question directed to you from a member of the Committee. In preparing your answers to these questions, please address your response to the member who has submitted the question in the space provided.

To facilitate the printing of the hearing record, please submit your response to the question no later than the close of business on Friday, July 16, 2021. As previously noted, this transmittal letter and your response, as well as the responses from the other witnesses appearing at the hearing, will all be included in the hearing record. Your written responses should be transmitted by e-mail in the Word document provided to Lino Pena-Martinez, Policy Analyst, at lino.pena-martinez@mail.house.gov. To help in maintaining the proper format for hearing records, please use the document provided to complete your responses.

Mr. Kiran Bhatraju

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Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Lino Pena-Martinez with the Committee staff at (202) 225-2927.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." in a cursive style.

Frank Pallone, Jr.
Chairman

Attachment

cc: The Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce

The Honorable Bobby L. Rush
Chairman
Subcommittee on Energy

The Honorable Fred Upton
Ranking Member
Subcommittee on Energy

Attachment—Additional Questions for the Record

**Subcommittee on Energy
Hearing on
“Generating Equity: Deploying a Just and Clean Energy Future”
Tuesday, April 20, 2021**

Mr. Kiran Bhatraju, Chief Executive Officer, Arcadia

The Honorable Kathy Castor (D-FL)

1. Mr. Bhatraju, how can community solar increase equitable access to reliable, clean energy? How could investing in local solar drive economic growth?

RESPONSE:

Thank you for this thoughtful question, Representative Castor.

Community solar is the best way to make the benefits of solar power - which include reliable, clean energy - accessible to everyone, all while driving economic growth.

Rooftop solar is an essential component of our clean energy future, but relying on it alone will exclude the majority of Americans from the benefits of solar. Rooftop solar is only a good fit for households that own their own home, can afford to either make large upfront payments for solar panels or can access affordable financing, and who have a rooftop that's suitable for solar panels. Each of these barriers is quite significant.

To start with, 64.8% of American households own their own home. Of those, 68% have a credit score above 700, which is a common requirement for financing solar panels. Finally, 81% of homes in the United States have a roof that can support solar panels, meaning it's structurally sound and gets sufficient sunlight. Taken together, just 34% of families meet all three of these criteria, which means that 2/3rds of families are excluded from rooftop solar.¹ Community solar exists to bring the benefits of solar to those 85 million households.

Arcadia is leading the way to make sure that community solar lives up to its promise. We provide subscriber management services to 179 community solar projects in eight states. When fully operational, these projects will serve 65,000 households - most of whom would have been unable to access the benefits of solar otherwise. The only eligibility criteria we have is that a customer has to have a credit card or checking account to pay their subscriber fees. Beyond that, the projects we manage are open to everyone, no matter their credit score or whether they rent or

¹ <https://blog.arcadia.com/why-community-solar-solves-solar-s-biggest-problem/>

own. Best of all, our contracts with our customers are structured so that the customers are guaranteed to save money and there are no long-term commitments with exit penalties.

Community solar does more than just help subscribers save money with clean energy. I'd like to highlight two specific ways that community solar delivers broad economic development benefits.

First, community solar is an important part of an affordable, reliable electric grid. Community solar projects are small-scale which means they can be located closer to where electricity is used. This is so-called "distributed generation". A recent modeling exercise by Vibrant Clean Energy found that the most cost-effective way to significantly reduce greenhouse gas pollution in the electricity sector was to deploy a large amount of distributed generation. Specifically, the study found that deploying 247 GW of rooftop and community solar would save utility consumers \$473 billion by 2050 while creating 2 million local jobs.²

Second, community solar projects are by-definition located somewhere other than the subscribers' home. Most commonly, community solar project owners lease land or commercial rooftop space, creating a new revenue stream for land- and building-owners. This is particularly important for rural landowners, who can get lease payments of as much as \$1,000 per acre per year on underutilized agricultural land.³ Indeed, farmers and rural landowners are some of the strongest community solar advocates.⁴ Similarly, hosting a community solar project can dramatically increase the tax rate on a piece of property, which will lead to new tax payments from project owners that can fund local government operations.⁵

The biggest problem with community solar today is that it's only available in states where legislatures have enabled it. That's why Arcadia only provides community solar in eight states today. Now is the time for federal leadership to expand community solar across the whole country. You know this better than anyone, which is why you've introduced the Community Solar Consumer Choice Act of 2021. This bill would require every state to consider implementing a community solar program. As part of their consideration, I would expect states to be influenced by the fact that community solar leads to economic growth while making the benefits of solar available to everyone.

Thank you for your leadership on this critical issue. I am always available to answer any other questions you have about this important topic.

Thank you again.

² <https://www.localsolarforall.org/roadmap>

³ <https://strategicsolargroup.com/what-is-the-average-solar-farm-lease-rate/>

⁴ <https://www.pa4communitysolar.com/about-us>

⁵ <https://pamplinmedia.com/msp/129-news/503127-403030-more-solar-farms-sprout-in-county>