

March 20, 2018

TO: Members of the South Carolina House of Representatives
RE: H.4221- South Carolina Electric Consumer Bill

The South Carolina Chamber of Commerce and South Carolina Manufacturers Alliance are made up of the largest energy ratepayers in the Palmetto State. Businesses pay roughly half of all energy costs in South Carolina. As such, the business community supports a true market-based approach to solar energy expansion. House Bill 4421, in its current form, does not meet that standard.

Back in 2014, South Carolina's General Assembly did what no other legislature had done – they passed comprehensive solar legislation that laid the groundwork for the expansion of solar power in our state. Act 236 has been an important step to help further the development of renewable energy in the Palmetto State, making South Carolina one of the top 10 states in the nation for solar energy.

Solar installers are now pushing House Bill 4421, which we believe harms more than helps our economy in South Carolina. We support the bill's proposal to remove the arbitrary caps set in Act 236 which limit how much solar energy any utility must allow in its service territory. Removing the caps would allow solar to continue to grow and allow South Carolinians to continue benefiting from this energy source.

However, the central issue for most energy customers with H.4421 is that the bill expands net metering at the "retail rate." House Bill 4421 requires energy companies to offer rooftop solar to these customers at a subsidized, anti-competitive rate at the same time it prevents companies from recovering costs. This goes against basic economic business principles.

The issue here is not about protecting profits. It's about having a fair system and paying private solar customers the same, competitive price energy companies pay wholesale solar energy customers.

Our view is that we should continue down the successful road that Act 236 – and the collaborative agreements between energy companies, solar interests and others that followed it – paved for South Carolina.

It is time to move away from subsidies and allow the rooftop solar industry to stand on its own. Provisions that allow solar to grow, end the subsidy, and pay solar what it's worth would be a win-win solution for all.

The solution is a simple one: have those with solar panels that produce excess solar energy get paid the real cost for their excess production and not double what it is worth. We ask that you please oppose H.4421 in its current form.



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