



CITIZENS UTILITY BOARD OF OHIO

Consumer Benefits of Community Solar in House Bill 450

What HB 450 Does:

HB 450 would provide access to affordably priced solar power to consumers and small businesses. It does so by removing red tape to open a new market that will attract investment, create jobs, drive innovation, and support a stronger and more resilient grid. It achieves this by allowing community solar systems to be built in Ohio.

What Is Community Solar?

Community solar under HB 450 is Ohio-generated, zero-pollution power from medium-sized, offsite solar systems whose electricity is shared, or subscribed to, by multiple users. The owner of the project pays to build, maintain, and connect the system to the grid, while consumers subscribe to a portion of the project's monthly output sized to meet the energy demand of the home or business. The result for subscribers is similar to that for consumers who install panels on their own property.

How does Community Solar add a flexible new option to help consumers?

Electric utility customers who want solar but cannot put panels on their own roofs can get access to solar via community solar—at a lower price thanks to economies of scale.

There are many reasons why consumers may not be able to install solar on their own property. They may:

- Lack sufficient space for ground-mounted solar or have a roof configuration not conducive to solar;
- Rent their home, lacking legal authority to modify the property upon which they live;
- Live in a multi-family property, the roof of which will be small compared to the power load;
- Be about to sell their property, face uncertainty about ownership, or lack finances.

Community solar overcomes each of these circumstances.

Consumer Benefits of HB 450:

- Create a new, **affordable** option for Ohioans to choose **clean energy made locally** in their own utility service territory, even if they cannot put solar on their own roof;
- Contribute to the local tax base by **investing in cities and rural areas** alike and by **redeveloping distressed properties such as brownfields** and landfills;
- Help our energy grid **reduce** the need to **build new transformers and substations**;
- Improve air quality on hot summer days, thereby **improving health** for children, seniors, and all consumers;
- **Combat high electricity costs** by—
 - reducing the need for the most expensive power on summer afternoons, lowering costs for everyone;
 - diversifying the energy mix, lowering costs across PJM, our regional grid;
 - adding a low-cost energy source at a time of rising fuel costs;
 - reducing the need for new transmission lines to carry generation from power plants.

Community Solar Projects Pay Utilities for their Service:

The proposed law requires community solar projects to pay utilities two (2) cents per kWh to compensate them for using the grid. When added to the lower long-term costs for transmission and investment in the grid, as well as the air quality and health benefits, this makes community solar a win for consumers.