

**PA Sunshine Program
Position on “Double Dipping” of Solar Rebates of
Pennsylvania Department of Environmental Protection**

This statement is being issued as a result of PPL Utilities' recent marketing efforts related to its solar rebate. The Department's guidelines for the PA Sunshine Program make projects that accept a PPL rebate ineligible for the Sunshine rebate.

The Department's position against the use of two rebates for one solar project, “double dipping,” is based on two principles. The first is that our support for alternative energy must be efficient and not waste money. We also maximize the amount of solar energy deployed so that the foundation of this industry is as broad as possible and the creation of a sustainable solar industry is advanced.

The PA Sunshine rebate levels are adequate to achieve these goals. Combining the PA Sunshine rebates with other rebates would over-subsidize a project, even potentially making a project free when the federal tax credit is considered.

For these reasons it is wasteful to add a PPL rebate to PA Sunshine projects. In other words, the Department would be a poor steward of these funds if it failed to prohibit double dipping. The seriousness of this concern is greater when the source of PPL's funding – from its ratepayers - is considered. These are effectively public funds since they are billed to all electric consumers who are required to pay. In addition, the wastefulness is worse when solar energy is unnecessarily subsidized because the path toward a market based energy industry is disrupted.

PPL's program is right for some and PA Sunshine is right for others. The PPL rebate level, at \$2/Watt, now exceeds the PA Sunshine rebate so there should be no difficulty in finding consumers interested in participating in PPL's program. Given that PPL caps its rebate at \$5,000, there is a clear divide in how benefits can be maximized. For systems under 3 kW, consumers are better off with PPL's rebate. For systems larger than about 3 kW, the PA Sunshine program is the choice consumers can make to maximize their rebate.

The independent use of PPL's solar rebate will further expand the amount of solar energy deployed beyond what would be produced by the Sunshine program alone. The independent operation of these two programs will allow consumers to pick the rebate that suits them better. Finally, independent operation of these two rebate programs prevents waste of limited, publicly supplied funds.

In an effort to clarify this position, there are two specific instances when the Department does not consider a consumer to be double-dipping:

1. If a consumer applies for a PA Sunshine rebate for a portion of their system's capacity and then applies for a PPL rebate for their system's remaining capacity, the Department does not consider the consumer to be double-dipping. (e.g.: a customer accepts a PA Sunshine rebate for 4 kW and PPL rebate for 3 kW with a total system size of 7 kW)
2. If a consumer applies for a PA Sunshine rebate and later decides to add additional capacity to their existing system while utilizing the PPL solar rebate, the Department would not consider the consumer to be double-dipping.