



Support for the Bill for An Act Concerning Measures to Enhance Program Efficiency for Shared Photovoltaic Energy Generation Facilities

Nick Perugini
 Director of Business Development
 Bella Energy, Inc.
 500 South Arthur Ave.
 Louisville, CO 80027

House Transportation and Energy Committee members,

I am writing on behalf of Bella Energy Inc., a Louisville, Colorado based solar energy developer engaged in the development, design, financing, and construction of commercial, municipal and solar garden installations across the U.S., in order to endorse and support the Bill for An Act Concerning Measures to Enhance Program Efficiency for Shared Photovoltaic Energy Generation Facilities. Bella has developed and installed over 600 solar projects across 9 states and 3 countries including the 1MW Lafayette Community Solar Garden in Lafayette, Colorado.

The right of the citizens of Colorado to benefit from free fueled energy from the sun via solar installations was first ratified by Amendment 37 in 2004 by clearly stating,

*"Energy is critically important to Colorado's welfare and development, and its use has a profound impact on the economy and environment. Growth of the state's population and economic base will continue to create a need for new energy resources, and Colorado's renewable energy resources are currently underutilized. Therefore, in order to save consumers and businesses money, attract new businesses and jobs, promote development of rural economies, minimize water use for electricity generation, diversify Colorado's energy resources, reduce the impact of volatile fuel prices, and improve the natural environment of the state, **it is in the best interests of the citizens of Colorado to develop and utilize renewable energy resources to the maximum practicable extent.**"*

The general interpretation of this may be job creation or environmental preservation or even just capitalization of a growing public need, but the current political climate and current solar rules and programs do not allow citizens, municipalities, developers, or builders to "**...utilize renewable energy resources to the maximum practicable extent.**". The fact that there are "programs" at all, which in itself, clearly implies the fact that parameters exist which citizens' projects must fit within, as opposed to market demand driven growth, further highlights this fact. For primarily this reason, 3 years ago, Bella Energy made the hard business survival decision to shift focus onto robust stable markets in the New England area such as RI, MA, CT, NY, and NJ while disregarding the stagnant Colorado solar market in our own home state. In Colorado we laid off 28 employees and went from 40 to 12 employees. This means that not only our creation of jobs is shipped out of state, but so is the sizable long term economic growth associated with local revenues in sales tax, property taxes, and State income tax. Our State's unfortunate position on restricted solar industry growth further compounds our State's slide down in rankings and revenues from this sector which is truly poised for year after year of exponential growth.

This Bill for An Act Concerning Measures to Enhance Program Efficiency for Shared Photovoltaic Energy Generation Facilities attempts to alleviate a small portion of the hurdles encountered in trying to meet the goals and spirit of Amendment 37 and House Bill 10-1342.





While our company would prefer even more revolutionary steps to truly open the market to supply and demand based on customer (and citizen) driven desires, we do understand that steps like this one are often part of the evolution toward a true free market for solar in Colorado.

A few of the key points included in this Bill which support the need for are:

1. Network Upgrades and Interconnection Costs. Clarity and fairness on the potentially huge expenses, which often kill projects, in regards to Network Upgrades. Any consumer or producer of energy should be responsible for their individual electrical service addition, but not for the upgrades to an often frail distribution network which would need upgrades whether a developer builds a housing complex, an office building, a mall, or a solar array. The net benefits of each development to the local community are far outweighed over the years to come then the project killing costs of interconnections that can run into the hundreds of thousands of dollars. This is not only a problem in Colorado, but an all too common issue across the U.S. wherein Colorado has the opportunity to be a leader once again. A common sense and fair approach to interconnection costs will unbind projects hampered by these often excessive external costs.
2. Clear and understandable rate structures. When a consumer desires a product, but cannot predict how its' function will benefit them, they do not buy. Solar Garden subscribers attempting to understand the variability in rate design and future adjustments possible are in for a dizzying experience along with the professional, like myself, attempting to explain such. I would venture to guess that electric bills on the whole are not fully understood by 99% of the public. Solar Garden bill credits are no different, except that most Americans don't see electricity as an option to-buy or not-to-buy, it is a requirement of life, while saving money on their bill through a Solar Garden subscription though, is an option that all are interested in. Having a clear, fixed, quantifiable solar bill credit amount per kWh that applies to home owners and businesses alike will accelerate sales and accelerate growth.
3. County issue and geographical limitations. Clearly there is a great disparity on the cost of land across our state (whether to purchase or to rent). While there might be high demand for Solar Garden Subscribers in Summit County, the land would be astronomically expensive and project prohibitive, yet Grand County next door should have land that is viable within required project economics. The same goes for Denver County (expensive) with Adams County next door (more affordable in East Adams County). Other states commonly allow this and use the limitation of Load Zone. Allowing a solar Garden to serve the county it is in and the adjacent counties (as long as within the same utility territory) will open opportunities in site selection and foster competition and growth in the sector.

In summary, Bella Energy supports this Bill for An Act Concerning Measures to Enhance Program Efficiency for Shared Photovoltaic Energy Generation Facilities because the simple clarifications within will have positive implications on our ability to develop Solar Garden here in the future.

Sincerely,

Nick Perugini
Director of Business Development
Bella Energy, Inc.
Louisville, Colorado
Nick.Perugini@BellaEnergy.com
303-817-3104 cell

