



Use It or Lose It

Accelerating Solar in Pennsylvania

Stephen Herzenberg and Avery Spicka

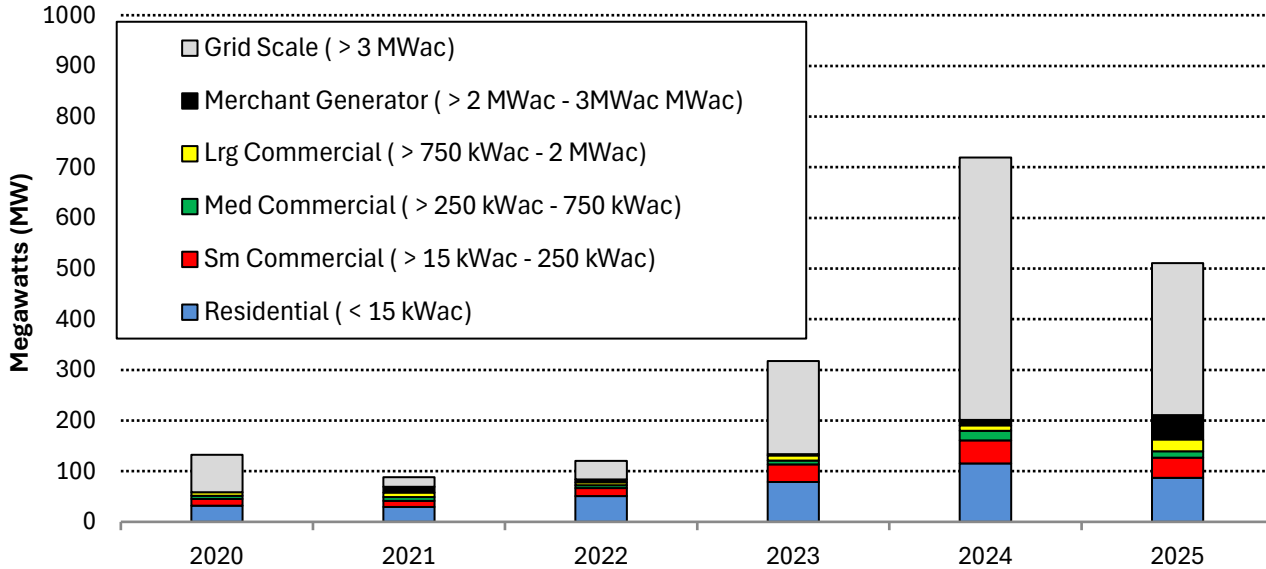
Keystone Research Center

4/21/2026



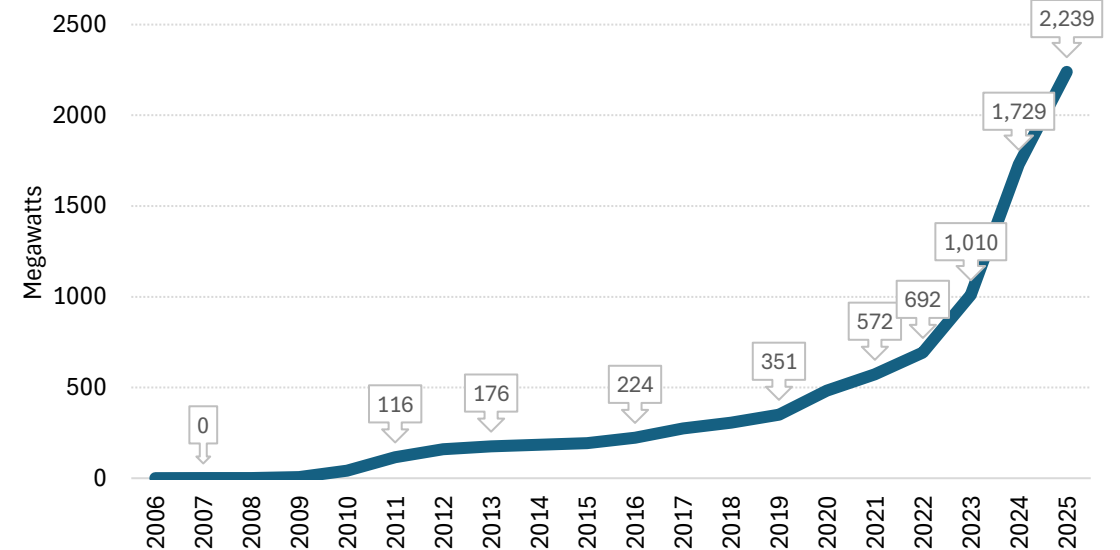
PA's solar capacity is growing exponentially

Annual Solar PV Capacity (MWac) Installed in PA



Source: PA PUC AEPS Qualified Facilities Data, <https://pennaeps.com/reports>

Cumulative Solar PV Capacity (MWac) Installed in Pennsylvania



Source: PA PUC AEPS Qualified Facilities Data,

Share of Solar Capacity Added by Market Segment 2019-2025

Residential: 21%, Commercial: 16%, Merchant Generator: 4%, Grid Scale: 60%



IRA Tax Credit Deadlines

- Residential
 - IRA subsidies expired December 31st 2025
 - Residential owned by commercial businesses can still get credit
- Commercial and Utility-Scale: three options
 - Spend 5% of project costs by **December 31st 2025** and get 4+ years to operate
 - Spend 5% of project costs (project under 1.5 MW) or complete the “Physical Work Test” (project above 1.5 MW) by **July 4, 2026** to get 4 years + to operate
 - Become operational by **December 31st 2027**



Case Studies

- Elective Pay: e.g. **Phoenixville School District: Payback period between 6 and 8 years**
- Commercial: e.g., **Greenfield Manufacturing:** Went from paying \$50k annually in electric bills to earning \$97k annually
- Grid Scale: **Abes Run Solar**—will fill 5% of Philly's municipal energy needs, part of its plan to use 100% renewable energy by 2035



What Projects Could Still Qualify?

1. **Some new small residential projects** owned by commercial companies that lease roof space or land from homeowners
2. **Medium or large commercial projects that applied for interconnection in the last year or two** and in which the customer will consume much of the energy
3. **Grid-scale solar projects in the PJM queue**
4. **Medium or large commercial projects that applied for interconnection approval in the last year or two** and will sell almost all their electricity to the grid
5. **New commercial projects under about 750 kW** and in which the owners will consume a significant portion of the electricity generated



Value of Tax Credits Received and Potential Future Credits

- Value of tax credits to date: **\$470 million to \$836 million**
- Tax credit potential—PJM queue: **\$1.8 billion** if 50% of projects get a 30% credit
 - This represents **4.75 GW** of solar capacity & **\$4 billion** in private investment
- Tax credit potential—under 3 MW: Roughly **\$685 million**
 - This represents **1.8 GW** of solar capacity & **\$1.6 billion** in private investment



Policy: Maximize the Drawdown of IRA Tax Credits

- PJM Should Give Priority to Projects in Its Queue That Have Until 2029 or 2030 to Operate
- PA Utilities Accelerate Interconnection and Permissions to Operate for ITC Eligible Projects
- Owners and Developers That Can Should Move Quickly on Promising New Projects
- Create a Governor's Action Team to Maximize IRA Tax Credits
- Get Expert Help

Policy: Beyond the Phase Out of the IRA ITC

- Advocate That Congress **Renew IRA Credits**
- Update Pennsylvania's Alternative Energy Portfolio Standard to Grow Solar
- Encourage the Pennsylvania Legislature **to Legalize Community Solar**
- **Enact Solar on Warehouses** and Net Metering That Provides Favorable Rates for Solar on Warehouses and Other Preferred Sites
- Legalize Balcony Solar

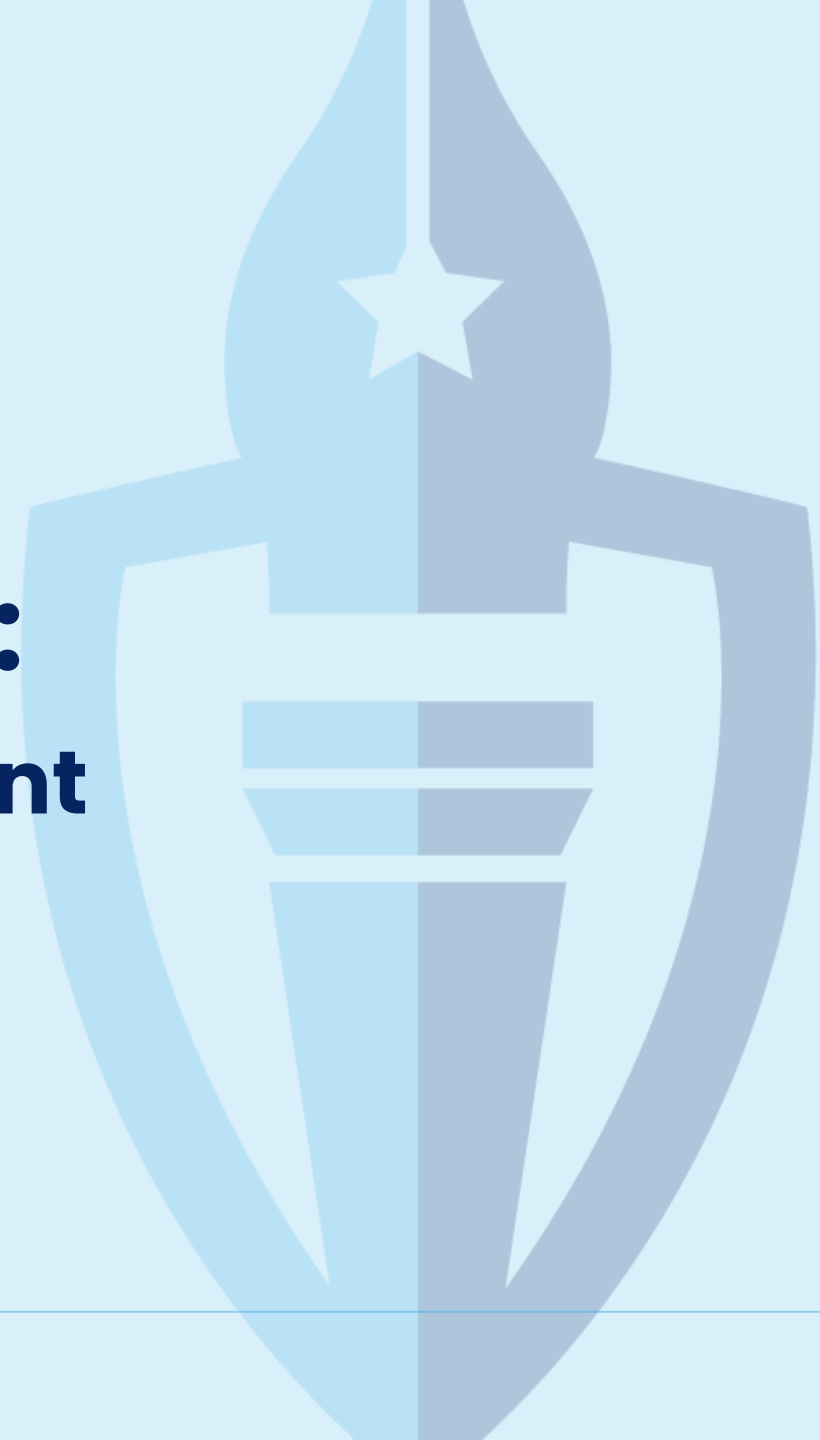


Maximizing Elective Pay:

A case for statewide deployment

April 22, 2026

Edward Yim
Director, Clean Energy





This Presentation Is NOT Legal Advice

Today's discussion provides a high-level overview only and should not be considered legal advice. Please consult your in-house attorney and your finance officer about your specific matter.

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Three Pillars of L4GG's Work

Rule of Law & Democracy

Climate Change & Env. Justice

Civil & Human Rights

Pro Bono Litigation Corps: Advancing L4GG's pillars through litigation

\$150m in Pro Bono Legal Services Mobilized

\$50m Mobilized in 2025

125k Lawyers in Network

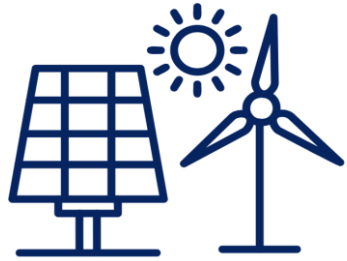
\$60m Goal to Mobilize in 2026

150+ Major Law Firms in Partnership

51 Staff Members across the country



Elective Pay Impact: Independence + Affordability



SPRINT HUB (since Oct '25)

3600 eligible elective pay projects identified via the Clean Energy Tax Navigator

Assisted over **700** tax-exempt entities in 48 states and Tribal territories



Provided technical assistance and legal guidance to maximize benefits of their clean energy projects in rural communities

- 190 projects (solar, BESS, GSHP, EV chargers)
- A partial estimate of 82 MWs for solar alone, potential for \$25 million in tax credits
- Could lead to a secondary pipeline numbering around 1,500 projects



What Remains Available After H.R.1

Longer-Term (through ~2033–35)

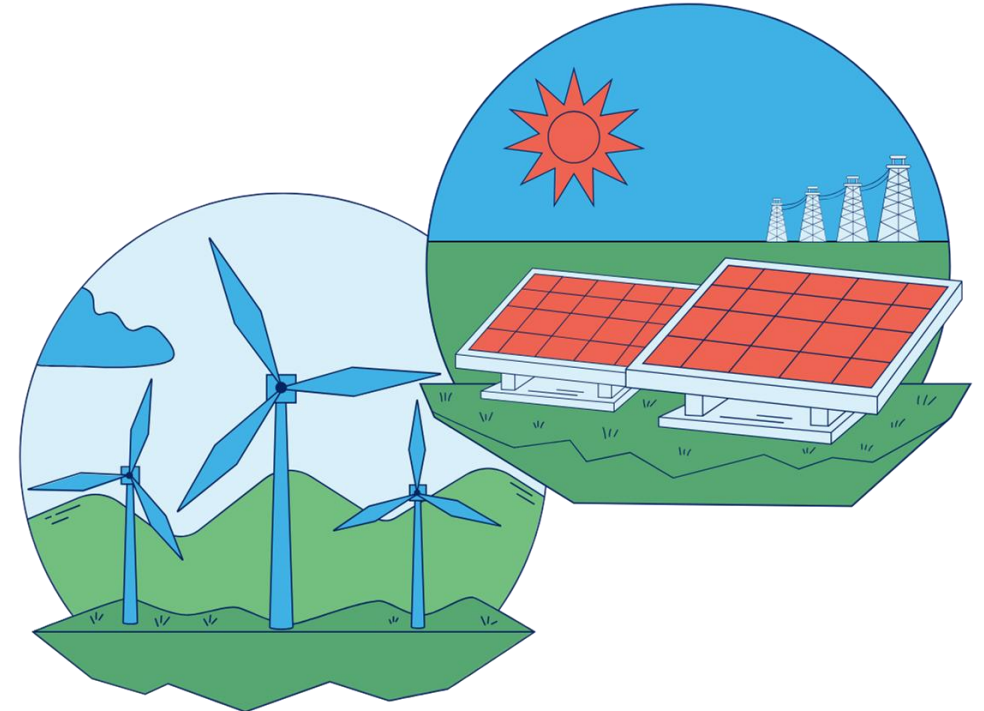
- Energy storage
- Geothermal
- Hydropower
- Ground-source heat pumps

Still Available with Key Deadlines:

- Solar & wind
- EV charging infrastructure

Phasing Out / Ended:

- Commercial EVs (post-Sept. 30, 2025)





Example: State of Washington (L4GG-managed)

The Clean Energy Tax Credit Accelerator Program (since Nov '24):

- 915 projects (via 247 entities) with a projected estimate of \$22 million in tax credits

King County Case Study: \$6.5 million

- 3 solar projects at wastewater treatment and solid waste facilities
- 9 charging ports at a King County Metro bus base





State of Michigan: following suit (L4GG-assisted)

SUPPORTED BY MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY (EGLE)

Michigan Elective Pay Accelerator

Powering Michigan's community-serving organizations with
affordable solar energy

[Schedule Free Consultation](#)



Tools and Support!

- [Clean Energy Tax Navigator](#) a self-service tool to help you understand project eligibility and provide resources to help move you one step closer to accessing the tax credits!
- L4GG's [Elective Pay Sprint Hub](#) is here to help!
 - Direct support with Elective Pay process
 - **BABA Compliance & Green Finance Assistance now available!**



Sprint Hub intake form



Clean Energy Tax Navigator