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Rabbi Moti Rieber, Executive Director Rev. Rachael Pryor, Board Chair

Testimony in Support of HB 2227, Solar Power Purchase Agreements House Committee on Energy, Utilities and Telecommunications, Rep. Leo Delperdang, chair February 7, 2023

Mr. Chair, Ranking Member Ohaebosim, Members of the Committee:

Kansas Interfaith Action is a statewide, multi-faith issue-advocacy organization that "puts faith into action" by educating, engaging and advocating on behalf of people of faith and the public regarding critical racial, economic and climate justice issues. We are the advocacy partner of several of the mainline denominations in Kansas, including the ELCA Lutheran Church; the Kansas-Oklahoma Conference of the UCC; the Episcopal Diocese of Kansas; and the Mercy & Justice Team of the Great Plains Conference of the UMC, as well as of Jewish and Muslim individuals and faith communities. I appear in support of HB2227.

Many congregations throughout Kansas would like to be able to put solar panels on their roofs, to generate some or all of their own power. There are two main reasons for this, both of which could be termed "stewardship": first is stewardship of community resources. Congregations are often housed in older buildings, built when energy was cheap and there was no concern for efficiency. This means that utility costs can place a great burden on the finances of the congregation, especially in situations where membership or contributions are dwindling. Utilizing solar generation would allow these communities to have more certainty or consistency in their utility expenses – the price of their power would remain steady no matter what their utility might do with rates.

And the second reason is stewardship of creation. The denominations that make up Kansas Interfaith Action are concerned with the use of fossil fuels driving climate change. In areas of the state covered by investor-owned utilities, upwards of 40% of the utility power load is generated by renewables -- mostly wind – and that's wonderful, but allowing congregations to put solar on their roof could raise that to 80 or 90%, allowing congregations to live their values in the way their power their buildings.

There have been two main factors deterring congregations from utilizing rooftop solar: the first is the way that tax incentives for solar have been written in Washington. A nonprofit – including a congregation — that doesn't pay federal taxes isn't helped by a tax incentive. This piece has been addressed by the recent Inflation Reduction Act, which allows for upfront payments to tax-exempt organizations. The second factor is the third party PPA issue. In other states the tax incentive could go to a third party, which would install the panels and then lease the power to the congregation. In Kansas this has been prohibited by laws which defined such lessors as "utilities", subject to the laws that regulate those entities. HB 2227 would address this issue by specifying that these third-party lessors are not utilities.

Addressing the third-party purchase agreement issue is something that I have been working on for almost as long as I've been in the legislature. The IRA has solved one big part of this issue; HB 2227 would solve the rest. I believe there is pent up demand for solar on religious institutions, and that KIFA could start a campaign to put solar on congregation roofs as soon as this legislation passes.

Congregations should have the ability to live their values, and allow themselves financial certainly, by putting solar on their roofs. We can make this happen this year; the first step is for this committee to pass HB2227 favorably for approval. I urge you to do so.