

KenCapron1

From: "KenCapron1" <kcapron1@maine.rr.com>
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To: <jpayne@renewablemaine.org>; <Stacy.Brenner@Legislature.Maine.gov>; <Ralph.Tucker@legislature.maine.gov>
Cc: <ENR@legislature.maine.gov>; <Michael.Russo@Legislature.Maine.gov>; <Deirdre.Schneider@legislature.maine.gov>; "Daniel Tartakoff" <Daniel.Tartakoff@legislature.maine.gov>
Subject: Who absorbs the fees on solar?

Maine Renewable Energy Association
 Senior Project Manager at The Bernstein Shur Group

Der Mr. Payne,

Jeremy, I listened carefully to your testimony regarding the solar waste recycling bill LD 1595. You made it sound as if the recycling of solar waste was a huge undertaking – too big for DEP to handle. I assure you they have handled other large projects – usually after problems arise. You also suggested that the consumer would bear the brunt of the burden of this bill. That is not true at all, unless you think our solar retailers are stupid and can't see the value of the sales opportunities this legislation provide. You look like a smart guy and will see the opportunity of this legislation. I would be glad to explain the economics in more detail if you want.

I can only ask you to revisit the wording of the bill since it was designed carefully to avoid just such issues as you try to raise. What you perceive as lost revenue to resellers, is actually a way to secure future business in replacements and upgrades. If a panel goes bad, it is an opportunity to sell the consumer a replacement. And a chance to see if other panels are underperforming. And of course as panel efficiencies improve, one might replace the entire array.

I know you are trying to block this bill perhaps as a favor to the MREA members, but since neither consumers nor retailers will pay for this process, and the department is not obligated to do anything itself of substance, I figure that you just misunderstood the wording and the process.

Facilities

There would be only one recycler for Maine since there is no net profit in the recycling of solar panels. And that recycler becomes obligated to research and develop (also RGGI funded) a process for recovering 100% of the panels, including recovery of the CHC's. There is no such process globally at present (despite what some people allege). A smart recycler would take advantage of the recovered materials to manufacture our own solar panels – thus creating much needed manufacturing jobs for Maine. Again, again, the department merely needs to approve or disapprove of a facility and a process. You can simply look to Washington State's legislation for guidance – we know that Governor Jay Inslee is a leader in the climate war as is his solar waste recycling legislation. And lets not overlook a discussion just a week or two ago about the rapid growth expected from RGGI over the next five+ years. The money will be there even if other carbon exchanges are not adopted.

Registration

The registration process is no different from the usual UCC agreements in common use in other industries. It would be easy for the retailer to fill out the standard UCC form and forward a copy to the recycler for future tracking. Whereas the DEP has had failures in tracking some hazardous chemicals, I could not knowingly promote the scattering of the solar "PFAS" like chemicals across the state. Each and every panel will eventually fail and require disposal. We had better nip this problem in the bud while the will (and funding) is there.

Tracking

If I were a smart retailer, I'd be doing some tracking of my own. That follow up site visit could identify problem panels and the dealer could sell replacements or a whole new upgrade. Talk about an easy marketing plan. In addition, electric

companies have valuable tracking info for each solar installation it connect under Net Zero. An automated routine could quickly calculate sudden changes in output that don't coincide with naturally occurring weather changes and such. We need to know where we can gain extra savings by maintaining the health of our solar resources.

Fees

Oddly, Washington State used the same \$125 amount in its legislation from 2017. I had to revise the fees to fit this specific program without burdening the consumer. The \$25 fee funds the administrative costs of the bill. It is a small price to pay to know to where the poisons are dispersed.

The \$100 fee is intended to be adjusted to the actual cost of the recycling process approved. Its either bulk recycling or full recycling. The former leaves humans exposed to the CHC's and can be done for \$12 plus shipping per panel. At some point in time, when a full process is implemented, I estimated the cost per panel to reach \$100. It could be more or less. Chemicals are hard to recover safely. We certainly can't just leave the problem for some future generations. That would be contrary to the concept of stewardship.

A projection about the Portland Solar Array costing \$352,000 more under this bill, I would say you don't understand business very well. Since the maker and reseller won't have the future cost of shipping and recycling panels as they fail one by one, they can reduce their costs accordingly. I would assume that mfgs. would have built the costs of recycling into their bottom line since it is an inevitable cost. And in a competitive environment, the supply stream would choose to pass along those savings. ONLY if the reseller and manufacturer persisted in greedy profit-taking would the panels have cost any extra. Portland overpaid for their array to begin with unless they negotiated for recycling in their contract bid process. How foolish would that be?

Resource Intensive

As noted in Sec. 12. 35-A MRSA §3475 (6), the \$25 fees will fund the hiring of staff for the department OR the recycler to perform the paperwork and inspections and to arrange take-back opportunities.

Let me repeat, there is no obligation for the department to do anything. But if they did, they would have the \$25 fee/panel to hire staff. The department already tracks many things, from storage tanks (some 1700 pages of underground tanks) to spills (some 3516 pages of spills dating back to the 1990's) to hazardous waste and waste oil transporters. However, the bill gives the tracking option to the recycler or the department – and they get the \$25 fee. I left the option in in case the department felt it wanted to manage the process and the resource. But that is an option, not a requirement. And it comes fully funded.

Funding

Although there is plenty of RGGI money to cover the facility and process, it is highly likely that the US DOE or the EPA will have grants to cover all aspects of recycling. As our primary source of electricity, no one expects to deal with solar waste any cheaper or simpler than nuclear waste. The difference is that we have the opportunity to do this right at the outset. We don't need to play catch-up as most environmental waste has been addressed. Couldn't we just do it right this one time?

Fines

At least with this bill, there will be an ongoing funding stream to catch violations and violators. Let's face it, no one else stepped up address this problem. Twenty or more years after the first panels in Maine – and we still don't have a handle on stewardship of solar panels. We also have bunch of environmental issues around the state that could have been avoided if some environmental hadn't given the State a pass on its responsibilities to protect our environment.

Complexity

Of course this legislation is complex. There are at least four separate statutes that had to be addressed in order to tie all the pieces together. Someone really does need to review and rewrite the four statutes into one that makes sense to a reasonable human. As they stand, current statutes require a law degree or a genius to interpret. They almost look like that was intentional. LD 1595 is actually much clearer than any of the separate statutes today. Only if the department

insists on managing the entire bundle would there be a “burden” on the department. But smart management puts the burden back on those who are paid to handle such things.

Conclusion

I do hope this has simplified LD 1595 for you. All of your concerns were anticipated. The consumer is protected, the retailer retains its profits, the manufacturer saves shipping and recycling and reduces its pricing. Best of all, this process collects today the funds it will need in a year, a decade or a score to manage the solar waste problem. And in the meantime, we create jobs, good jobs, right here in Maine. Jobs that are going somewhere else right now. No land to reclaim. No need to be rescued by the EPA. We’re all good. And no fiscal note to attach to the bill.

Kenneth A. Capron, ret. CPA, MCSE
1375 Forest Avenue D-11
Portland, Maine 04103
Phone: 207-797-7891
Email: kcapron1@maine.rr.com