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Maine Energy Utility and Technology Committee

April 9, 2015

RE: LD1073  
An Act To Lower Energy Costs and Increase Access to Solar Energy for Agricultural Businesses

Dear Chairman Woodsome, Dion and Committee members,

My name is James LaBrecque and I'm from Bangor.

I am not in favor of LD1073 for the following reasons.

**Occam's razor** states that among competing hypotheses that predict equally well, the one with the fewest assumptions should be selected.

Typical 250 watt solar panel installation cost are about \$1,000.00 and have a proven capacity factor around 14%.

Three panels at an installation cost of \$3,000.00 is required to run a 100 watt light bulb continuously for one year, whether the panel is connected to your fuse box at home or connected to the utility grid.

The largest grid solar project in Maine is proposed with a capacity of 2.8 megawatts requiring 9,500 solar panels costing \$9 million. The cost per panel is \$947.37. The full project will produce \$17,535.00/mo at 6 cents/kWh.

Cost of money alone on nine million dollars for 20 years is \$54,538.23/mo. leaving a monthly deficit of \$37,538.23 a month or \$8,880,775.20 over 20 years.

Special interest promoting this technology avoid the simple deduction realized by Occam's razor, instead complicate and confuse the public with massive intertwined laws and bills that are not in the public interest but in the interest of a few special parties.

Apparently Maine lawmakers continues suffering from a long history of what legal scholars refer to as “puffing”.

*Contract law defines puffing as opinions by sellers that are not considered representations of fact but merely exaggerations that are typically expected from sellers. These exaggerations are not considered to be legally binding promises. Such exaggerations cannot be used as a basis for a lawsuit unless the exaggeration substantially exceeds reality.*

Puffing, endemic within the alternative energy industry to market products through legislation has permeated law at every level of government, whether local, county, State, Federal or international over the last 40 years. What other industry continues to enjoy legislative support with such a long history of broken promises and market failures?

The legislation recommended by these special interest groups is intended to increase sales not through the free market place that has failed them, but through more government incentives including, removing financing barriers, adding new financing tools, green banks, lower installation cost by imposing new rules, regulations and rate designs, changing codes, permits and inspection for solar products, and sales tactics to impress lawmakers in thinking that these products will create good jobs, foster economic growth, get us off oil, save the planet, and protect our children etc.

After four years of investing in alternative energy the giant technology company Google with deep pockets concluded that all their technology and multi-millions in solar efforts was futile, according to Ross Konington and David Fork in a November 18, 2014 news article in IEEE entitled **“What It Would Really Take to Reverse Climate Change”**

<sup>ii</sup>(Quotes from Google about pulling out of their Renewal Energy Cheaper than Coal (RE<C))

*“We’re glad that Google tried something ambitious with the RE<C initiative, and we’re proud to have been part of the project. But with 20/20 hindsight, we see that it didn’t go far enough, and that truly disruptive technologies are what our planet needs. To reverse climate change, our society requires something beyond today’s renewable energy technologies”.*

*“At the start of RE<C, we had shared the attitude of many stalwart environmentalists: We felt that with steady improvements to today’s renewable energy technologies, our society could stave off catastrophic climate change. We now know that to be a false hope—but that doesn’t mean the planet is doomed.”*

Google, a money making concern, experienced the true value of solar with their own money and come to quick decisions, solar special interest want lawmakers to force hard working Maine tax and rate payers to continue funding the solar industries futile experiments with our money in perpetuity. Why would Maine lawmakers want to force through law their constituents to invest in products that successfully savvy, hi-tech companies like Google determined through firsthand experience was not a good deal. What’s more reliable, the tested Google experience using their own money, or the 40 plus years of special interest continuing on with their broken promises?

Solar special interest groups have nothing over Google and bring nothing new to the table but puff without promise, what are we paying for? The Maine legislature has always failed to compare past promises from these special interest groups with actual results.

In the last 40 plus years there has been thousands of publically funded alternative energy demonstration projects throughout the state and I have never seen any special interest group bring a single concrete technical report of the results accomplished relative to the promises made. Why have we never seen a single successful anniversary story in the news?

Puffing as to how cheap solar power has become, is not supported by hard facts as determined by the general market place who failed to accept the industries value of solar as viable, as well as wealthy and sophisticated technical giants such as Google. Although the price of "solar panels" have dropped e.g. \$1.00/watt which is good, the cost of "solar power" is and will remain uncompetitive for the following reasons.

1. The price of solar power is determined by the "total cost" over the "total energy production"
2. The numerator consists of all the costs e.g. solar panel, structural framing, copper wire, labor, mileage, sales cost, inverters, taxes, interest, insurances, profit and other overhead, etc.
3. At a dollar a watt for solar panels, a 250 watt panel would only decrease a \$1,250.00 home solar panel installation cost by \$250.00 if given away for free.
4. The total electric energy produced by the collector is carried in the denominator and limited by mother nature e.g. it is dark every night of the year and in the winter when demand for energy is 5 times greater than in the summer it is dark most of the day as well, producing very little energy during the times of greatest energy demand. Mother Nature further limits sunshine due to cloudy, snowy and rainy days. Limited sunshine reduces the capacity factor of a solar collector from 250 watts to 35 watts or 14%. Solar panels cannot produce more power than Mother Nature is willing to provide. Mother Nature is not going to increase the amount of sunshine she gives us each year therefore the denominator is fixed by Mother Nature.
5. When considering the limitations in both the numerator e.g. the installation costs of a solar system and the limitations in the denominator, e.g. Maine's limited annual sunshine exposure to solar panel, the \$1.00/watt cost for panels claimed by the industry can easily reach \$35.00/watt ( $\$1,250.00/35\text{watts} = \$35.71$  per watt). A puff exaggeration by the industry 35 times greater than reality.

The cost of solar panels has dropped in part because of technological advancements in the electronic industry that has financially benefits all industries, and has dropped in part because of the industries financial failures. E.G. (Find the following examples of solar company bankruptcies on any search engine)

Solyndra, after receiving \$1.6 billion from DOE, filed for bankruptcy protection  
Enrer1, after receiving \$118.5 million from DOE, filed for bankruptcy protection  
Beakon Power, after receiving \$43 million from DOE, filed for bankruptcy protection  
Abound Solar, after receiving \$400 million from DOE, filed for bankruptcy protection  
Amonix, after receiving \$5.9 million from DOE, filed for bankruptcy protection  
Babcock & Brown (an Australian company), after receiving \$178 million from DOE, filed for bankruptcy protection  
Solar Trust for America, after receiving \$2.1 billion loan guarantee from DOE, filed for bankruptcy protection

Nevada Geothermal, after receiving \$98.5 million from DOE, warns of potential defaults in new SEC filings

SunPower, after receiving \$1.5 billion from DOE, is reorganizing, cutting jobs

First Solar, after receiving \$1.6 billion DOE, is reorganizing, cutting jobs

A123 Systems, after receiving \$279 million from DOE, shipped bad batteries and is barely operating. It cut jobs as well.

There are also many private concerns across the country losing money on solar investments as well, for example, <sup>iii</sup>SpectraWatt backed by Intel and Goldman Sachs, filed for bankruptcy protection owing its creditors 38.7 million. Many state agencies across the country are losing money as well. Just look at New England states, <sup>iv</sup>Evergreen Solar, after receiving millions of dollars from the state of Massachusetts, filed for bankruptcy protection and Maine's own <sup>v</sup>Ascendant Energy, after receiving about \$1 million in loans or grants through the Maine Technology Institute filed for bankruptcy.

You can rest assured that all this lost money was used to leverage state loans and grants, bank financing, and other private investments that most likely were never paid back as well. Add to that the real likelihood that vendors, suppliers, and landlord's etc. all lost vast sums of money. It's obvious that solar panel costs have dropped in price when considering the fact that many solar manufactures have never paid their bills resulting in fire sale prices driven by bankruptcies. Puffing this industry as job creators is not supported by facts.

Added to the deep discount associated from all these losses we must not forget all the local, state, and federal subsidies including direct utility subsidies such as net meter hardware and undisclosed utility subsidies that come in the form of free use of the electric infrastructure at the expense of rate payers who have no say.

Given the 40 plus years of chaos and calamities resulting in the broken promises to get us off oil, a history of generating false hopes with unjustified expectations to attract funding, a misrepresentation of facts to impress or obtain elected officials cooperation, and other economic losses, can all be pointed to a government that for 40 years has allowed special interest groups to lead its unwilling citizens down the wrong path through puffing.

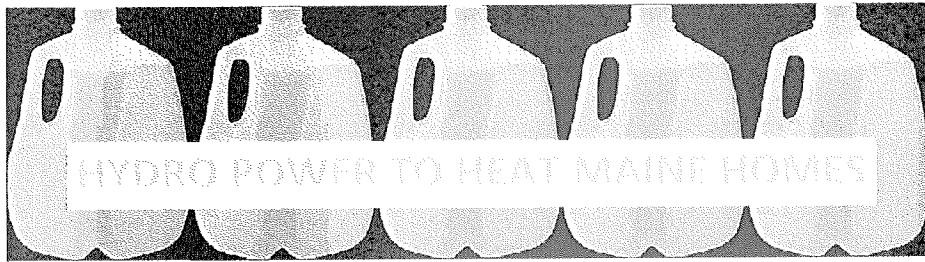
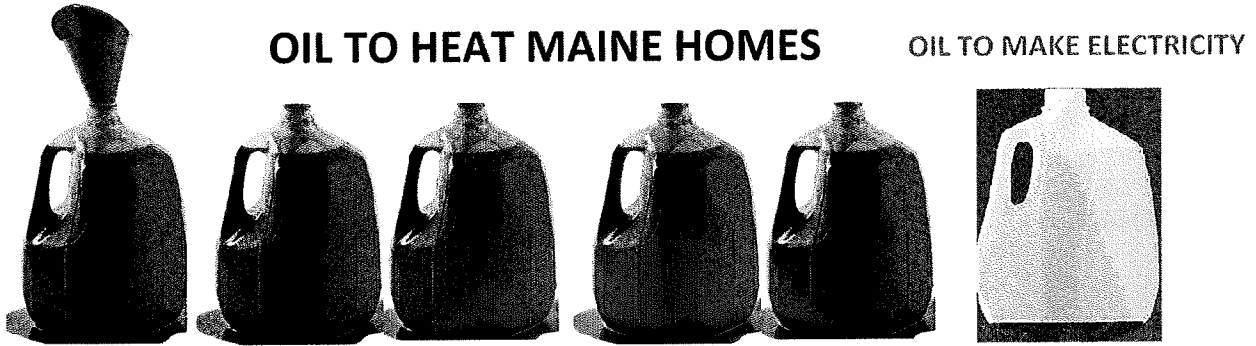
Until the legislature understands the technical, finical and historic facts regarding alternative energy, Maine people will continue to be harmed from well-intentioned but misinformed policies.

I opened with Occam's razor and I would like to close with Hanlon's razor which states "never attribute to malice that which can be adequately explained away by stupidity".

James C. LaBrecque

Solar does not reduce our dependency on oil

# A VOTE AGAINST HYDRO POWER IS A VOTE FOR BIG OIL



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<sup>i</sup> ". ((IEEE) Institute of Electrical and Electronics Engineers) is the world's largest professional association dedicated to advancing technological innovation and excellence for the benefit of humanity)

<sup>ii</sup> <http://spectrum.ieee.org/energy/renewables/what-it-would-really-take-to-reverse-climate-change>

<sup>iii</sup> <http://www.bloomberg.com/news/articles/2011-08-24/intel-backed-solar-company-files-for-bankruptcy-as-prices-slide>

<sup>iv</sup> <http://www.reuters.com/article/2011/08/15/us-evergreensolar-idUSTRE77E49320110815>

<sup>v</sup> <http://bangordailynews.com/2014/08/01/business/owls-head-solar-energy-company-supported-by-state-funds-files-for-bankruptcy/>