Amending the act of November 30, 2004 (P.L.1672, No.213), entitled "An act providing for the sale of electric energy generated from renewable and environmentally beneficial sources, for the acquisition of electric energy generated from renewable and environmentally beneficial sources by electric distribution and supply companies and for the powers and duties of the Pennsylvania Public Utility Commission," further providing for definitions and for interconnection standards for customer-generator facilities and providing for unsubscribed energy, for community solar facilities, electric distribution companies and subscriber administrators, for customer participation in community solar programs, for location of multiple community solar facilities and for land management and stewardship; and making editorial changes.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The General Assembly finds and declares as follows:

(1) Growth in solar generation will provide jobs for Pennsylvania.

(2) Local solar energy generation can contribute to a
more resilient grid and defer the need for costly new
transmission and distribution system expansion.

(3) Community solar generation can foster economic
growth as well as opportunities for competition and
innovative business models.

(4) Programs for community solar generation provide
customers with additional energy choices and access to local,
affordable and clean energy options

(5) Community solar programs provide customers,
including homeowners, renters and businesses, access to the
benefits of local solar energy generation, unconstrained by
the physical attributes of their home or business, such as
roof space, shading or ownership status.

(6) The intent of this act is to:

   (i) Allow electric customers of this Commonwealth to
       purchase, lease or subscribe to a portion of a community
       solar facility and benefit from the resulting generation
       as if they had installed a solar facility on their own
       property and connected it to their own electric meter.

   (ii) Encourage the development of community solar
       programs that will maximize participation by and tangible
       benefits for low-income and moderate-income customers and
       the communities in which they live.

   (iii) Reasonably allow for the creation, financing,
       accessibility and operation of community solar generating
       facilities in a way that ensures robust customer
       participation.

   (iv) In developing regulations, ensure that the
       Pennsylvania Public Utility Commission makes every effort
       to identify and eliminate barriers to participation by

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renters, low-income and moderate-income customers and small businesses.

Section 2. The definition of "customer-generator" in section 2 of the act of November 30, 2004 (P.L.1672, No.213), known as the Alternative Energy Portfolio Standards Act, is amended and the section is amended by adding definitions to read:

Section 2. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

* * *

"Bill credit." The commission-approved monetary value of each kilowatt hour of electricity generated by a community solar facility and allocated to a subscriber's monthly bill to offset the subscriber's retail electric bill.

* * *

"Community solar facility." A facility that:

(1) Generates electricity by means of a solar photovoltaic device with subscribers who receive a bill credit for the electricity generated based on the size of the subscriptions.

(2) Is located within this Commonwealth.

(3) Is connected to and delivers electricity to a distribution system operated by an electric distribution company operating in this Commonwealth and in compliance with requirements under this act.

(4) Has a nameplate capacity that does not exceed the capacity authorized for a nonresidential customer-generator under this act.

(5) Has at least two subscribers.
(6) For a community solar facility with a capacity of more than 1,000 kilowatts, has no single subscriber who subscribes to more than 50% of the facility capacity in kilowatts or output in kilowatt hours, except for master-metered multifamily residential and commercial buildings.

(7) Credits some or all of the community solar facility generated electricity to the bills of subscribers.

"Community solar organization." An entity that owns or operates one or more community solar facilities.

"Customer-generator." A subscriber to a community solar facility or nonutility owner or operator of a net metered distributed generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service or not larger than 3,000 kilowatts at other customer service locations, except for customers whose systems are above three megawatts and up to five megawatts who make their systems available to operate in parallel with the electric utility during grid emergencies as defined by the regional transmission organization or where a microgrid is in place for the primary or secondary purpose of maintaining critical infrastructure, such as homeland security assignments, emergency services facilities, hospitals, traffic signals, wastewater treatment plants or telecommunications facilities, provided that technical rules for operating generators interconnected with facilities of an electric distribution company, electric cooperative or municipal electric system have been promulgated by the Institute of Electrical and Electronic Engineers and the Pennsylvania Public Utility Commission.

* * *

"Low-income customer." A retail residential end user of an
electric distribution company whose household income does not exceed 200% of the Federal poverty level, adjusted for family size. Nothing in this definition shall be construed to require a customer who qualifies as a low-income customer to provide additional income verification after becoming a subscriber.

"Moderate-income customer." A retail end user of an electric distribution company whose income does not exceed 100% of the applicable area median income, adjusted for family size. Nothing in this definition shall be construed to require a customer who qualifies as a moderate-income customer to provide additional income verification after becoming a subscriber.

* * *

"Subscriber." A retail customer of an electric distribution company who owns one or more subscriptions of a community solar facility interconnected with the customer's electric distribution company. The term includes a retail customer who owns a portion of a community solar facility.

"Subscriber administrator." An entity that recruits and enrolls subscribers, administers subscriber participation in community solar facilities and manages the subscription relationship between subscribers and an electric distribution company.

"Subscription." A contract between a subscriber and subscriber administrator of a community solar facility that entitles the subscriber to a bill credit against the subscriber's retail electric bill.

* * *

"Unsubscribed energy." The output of a community solar facility, measured in kilowatt hours, that is not allocated to subscribers.
Section 3. Section 5 of the act is amended to read:

Section 5. Interconnection standards for customer-generator facilities.

Excess generation from net-metered customer-generators shall receive full retail value for all energy produced on an annual basis. The commission shall develop technical and net metering interconnection rules for customer-generators intending to operate community solar facilities or renewable onsite generators in parallel with the electric utility grid, consistent with rules defined in other states within the service region of the regional transmission organization that manages the transmission system in any part of this Commonwealth. The commission shall convene a stakeholder process to develop Statewide technical and net metering rules for customer-generators. The commission shall develop these rules within nine months of the effective date of this act.

Section 4. The act is amended by adding sections to read:

Section 9. Unsubscribed energy.

An electric distribution company shall purchase unsubscribed energy from a community solar facility at the electric distribution company's avoided cost as approved by the commission. No later than nine months after the effective date of this section, the commission shall establish regulations necessary to effectuate this section regarding the purchase of unsubscribed energy.

Section 10. Community solar facilities, electric distribution companies and subscriber administrators.

(a) Authorization.--

(1) A community solar facility may be built, owned or operated by a third party entity under contract with a
community solar organization or a subscriber administrator.

(2) Except as provided under paragraph (3), the price paid for a subscription in a community solar facility shall not be subject to regulation by the commission.

(3) The commission shall ensure that the value of a bill credit allows for the creation, financing, accessibility and operation of community solar facilities to maximize customer participation. Subscribed energy from a community solar facility shall receive the full retail value for all energy produced on an annual basis calculated for each customer class. Not later than nine months after the effective date of this section, the commission shall establish the value of the bill credit for each electric distribution company.

(b) Transferability and portability.--An electric distribution company shall allow for the transferability and portability of subscriptions, including allowing a subscriber to retain a subscription to a community solar facility if the subscriber relocates within the same electric distribution company territory.

(c) Subscriber updates.--On a monthly basis, a subscriber administrator shall update the subscriber administrator's list of subscribers and provide all of the following information about each subscriber to the electric distribution company in a standardized electronic format approved by the commission for the purpose of bill credit to subscribers:

(1) The name, address, account number and meter number.

(2) The kilowatt hours of electricity generation attributable to each subscriber.

(3) If a community solar organization is using the electric distribution company's billing methods to collect
subscription fees, the subscription fee for the month owed by each subscriber to the community solar organization.

(d) Customer protection.--

(1) Community solar organizations and subscriber administrators shall be subject to the customer protection provisions under 66 Pa.C.S. Ch. 15 (relating to service and facilities). The commission shall establish regulations that provide for the protection of customers who utilize community solar organizations, community solar facilities and subscriber administrators.

(2) The commission shall develop a standardized customer disclosure form that identifies the minimum information that must be provided by subscriber administrators to potential subscribers to ensure the disclosure of the future costs and benefits of subscriptions and subscribers' rights and obligations pertaining to subscriptions.

(3) A community solar facility operator may remove a customer from the subscriber roll if the customer is more than 60 days in arrears in the payment of subscriber fees.

(4) A community solar facility operator may serve as a subscriber administrator or may contract with a third party to serve as a subscriber administrator on behalf of the community solar facility.

(e) Customer removal prohibition.--An electric distribution company may not remove a customer from the electric distribution company's customer class in order to participate in a community solar facility.

(f) Construction.--A community solar organization, a subscriber or third party owning or operating a community solar facility shall not be considered an electric distribution
company as defined in 66 Pa.C.S. § 2803 (relating to
definitions) or an electric generation provider solely as a
result of involvement with a community solar facility.

(g) Duties of electric distribution companies.--

(1) On a monthly basis, an electric distribution company
shall provide to a community solar organization and
subscriber administrator a report in a standardized
electronic format indicating the total value of the bill
credit generated by the community solar facility in the prior
month and the amount of the bill credit applied to each
subscriber.

(2) An electric distribution company shall provide a
bill credit to a subscriber's next monthly electric bill for
the proportional output of a community solar facility
attributable to the subscriber in the same manner as if the
electric distribution company owned or leased the community
solar facility on the electric distribution company's
property.

(3) If requested by a community solar organization, an
electric distribution company shall include a subscriber's
subscription fee on the monthly bill and forward the
collected subscription fees to the community solar
organization on a monthly basis. The commission's rules about
the nonpayment of nonenergy expenses shall apply to the
nonpayment of subscription fees.

(4) Not later than one year after the effective date of
this section, an electric distribution company shall make
available and update, in a commercially reasonable manner, a
system map showing the loading of the distribution system and
indicating where in the service territory the distribution
system could accommodate new solar generation.

(h) Compensation.--

(1) A community solar organization shall compensate an electric distribution company for the electric distribution company's reasonable costs of interconnection of a community solar facility.

(2) An electric distribution company shall be entitled to recover reasonable costs, subject to approval by the commission, to administer a community solar program within the community solar organization's service territory.

Section 11. Customer participation in community solar programs.

(a) Regulations.--Not later than one year after the effective date of this section, the commission shall establish regulations to ensure participation in community solar programs by each customer class and economic group. Community solar organizations, community solar facilities, electric distribution companies and subscription administrators shall not be required to comply with the regulations until 180 days after the regulations are established. The regulations shall:

(1) Be based on consideration of formal and informal input from all stakeholders, including Commonwealth agencies.

(2) Establish requirements that ensure access to programs and equitable opportunities for participation for residential and small commercial customer classes.

(3) Establish targets for participation by low-income customers and moderate-income customers.

(4) Authorize electric distribution companies to use money allocated for customer assistance programs to support low-income customer participation in community solar facilities if the price per kilowatt hour of electricity from
the community solar facility is at or below the default price.

(5) Allow for the use of other funding to support participation by low-income and moderate-income customers.

(b) Report.--Not later than three years after the effective date of this section, the commission shall submit a report to the General Assembly detailing the participation in community solar programs by each customer class and economic group, including the participation by low-income customers and moderate-income customers.

Section 12. Location of multiple community solar facilities.
The commission shall, by regulation, establish limitations on the location of multiple community solar facilities in close proximity. The regulations shall:

(1) Prohibit an entity, affiliated entity or entities under common control from developing, owning or operating more than one community solar facility on the same parcel or contiguous parcels of land.

(2) Prohibit an entity, affiliated entity or entities under common control from developing, owning or operating more than one community solar facility on contiguous parcels of land that have been divided from a single parcel within the previous five years.

(3) Authorize community solar facilities that are not owned, developed or operated by the same entity, affiliated entity or entities under common control to be located on contiguous parcels.

Section 13. Land management and stewardship.
(a) Disclosure.--The owner or operator of a ground-mounted community solar facility shall publicly disclose information on
how the land under and around the community solar facility will
be managed on the community solar facility's publicly accessible
Internet website. The information may include, but not be
limited to, a description of any stewardship or land use
practices that can be beneficial to the health and quality of
local soils and waters, native pollinators and wildlife and
managed honey bees and agriculture.

(b) Compliance.--The disclosure requirement under subsection
(a) shall be satisfied if the owner or operator of a community
solar facility provides a copy of a pollinator-friendly solar
scorecard published by The Pennsylvania State University's
Department of Entomology on the community solar facility's
publicly accessible Internet website.

Section 5. Section 9 of the act is renumbered to read:
This act shall take effect in 90 days.
Section 6. This act shall take effect in 60 days.