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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1555 Session of  
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MALAGARI, VITALI AND COOK, JUNE 3, 2021

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REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JUNE 3, 2021

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AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania  
2 Consolidated Statutes, providing for community solar  
3 facilities.

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

6 Section 1. Title 66 of the Pennsylvania Consolidated  
7 Statutes is amended by adding a chapter to read:

8 CHAPTER 30A

9 COMMUNITY SOLAR FACILITIES

10 Sec.

11 30A01. Findings and declarations.

12 30A02. Definitions.

13 30A03. Community solar facilities, electric distribution  
14 companies and subscriber administrators.

15 30A04. Interconnection standards for community solar  
16 facilities.

- 1 30A05. Unsubscribed energy.
- 2 30A06. Customer participation in community solar programs.
- 3 30A07. Location of multiple community solar facilities.
- 4 30A08. Land management and stewardship.
- 5 30A09. Grid services payment.
- 6 30A10. Prevailing wage for construction of community solar
- 7 facilities.

8 § 30A01. Findings and declarations.

9 The General Assembly finds and declares as follows:

10 (1) Community solar generation can foster economic  
11 growth as well as opportunities for competition and  
12 innovative business models.

13 (2) Growth in solar generation will provide family-  
14 sustaining jobs and investments in Pennsylvania.

15 (3) Programs for community solar generation provide  
16 customers with additional energy choices and access to  
17 affordable energy options.

18 (4) Community solar programs provide customers,  
19 including homeowners, renters and businesses, access to the  
20 benefits of Pennsylvania community solar energy generation  
21 that is unconstrained by the physical attributes of their  
22 home or business, including roof space, shading or ownership  
23 status.

24 (5) In addition to its provision of standard electricity  
25 market commodities and services, community solar energy  
26 generation can contribute to a more resilient grid and defer  
27 the need for costly new transmission and distribution system  
28 investment.

29 (6) The intent of this chapter is to:

30 (i) Allow electric distribution customers of this

1 Commonwealth to subscribe to a portion of a community  
2 solar facility and have the result of the subscription be  
3 guaranteed savings.

4 (ii) Reasonably allow for the creation, financing,  
5 accessibility and operation of third-party owned  
6 community solar generating facilities in a way that  
7 ensures robust customer participation.

8 (iii) Encourage the development of community solar  
9 programs that will facilitate participation by and for  
10 the benefit of low-income and moderate-income customers  
11 and the communities in which they live and reduce  
12 barriers to participation by renters and small  
13 businesses, promote affordability and improve access to  
14 basic utility services.

15 (iv) Enable a community solar market through  
16 innovative technologies without the need for full retail  
17 rate net metering.

18 (v) Compensate the electric distribution companies  
19 for efficient and reliable integration of these resources  
20 into the distribution systems through cost recovery and  
21 treatment of payments for grid services as regulatory  
22 assets.

23 (vi) Enable a community solar marketplace in the  
24 Commonwealth without requiring State or municipal tax  
25 resources.

26 § 30A02. Definitions.

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

30 "Bill credit." The commission-approved monetary value of

1 each kilowatt hour of electricity generated by a community solar  
2 facility and allocated to a subscriber's monthly bill to offset  
3 any part of the subscriber's retail electric bill other than  
4 volumetric or demand base distribution charges.

5 "Commission." The Pennsylvania Public Utility Commission.

6 "Community solar facility." A facility that:

7 (1) Generates electricity by means of a solar  
8 photovoltaic device whereby subscribers receive a bill credit  
9 for the electricity generated proportional to the size of the  
10 subscriptions.

11 (2) Is located within this Commonwealth.

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

16 (4) Generates electricity by means of a solar  
17 photovoltaic device with a nameplate capacity rating that  
18 does not exceed 5,000 kilowatts of alternating current.

19 (5) Has at least two subscribers.

20 (6) Has no single subscriber who subscribes to more than  
21 50% of the facility capacity in kilowatts or output in  
22 kilowatt hours, except for master-metered multifamily  
23 residential and commercial buildings. No less than 50% of the  
24 facility capacity shall be subscribed by subscriptions of 25  
25 kilowatts or less.

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

28 (8) May be located remotely from a subscriber's premises  
29 and may not be required to provide energy to on-site load.

30 (9) Must be connected to an existing or new retail

1 electric service at the service location.

2 (10) Must be owned or operated by a community solar  
3 organization.

4 "Community solar organization." An entity that owns or  
5 operates one or more community solar facilities that may not be  
6 required to be an existing retail electric customer, purchase  
7 electricity directly from the electric distribution company,  
8 serve electric load independent of the community solar facility  
9 or operate under an account held by the same individual or legal  
10 entity of the subscribers to the community solar facility. A  
11 community solar organization may not be deemed a utility solely  
12 as a result of its ownership or operation of a community solar  
13 facility.

14 "Electric distribution company." As defined in section 2803  
15 (relating to definitions).

16 "Electric distribution customer." A customer that takes  
17 electric distribution service from an electric distribution  
18 company, regardless of whether the company is the customer's  
19 supplier of electric generation or not.

20 "Grid services." Services provided by smart inverter  
21 technology to support the grid and enhance reliability, and  
22 other commission-approved functions.

23 "Guaranteed savings." Realized savings as the difference  
24 between the cost of a subscription to a community solar facility  
25 and the credit received for the generation attributed to the  
26 subscription.

27 "Low-income customer." A retail residential end user of an  
28 electric distribution company whose household income does not  
29 exceed 200% of the Federal poverty level, adjusted for family  
30 size, as published periodically in the Federal Register by the

1 United States Department of Health and Human Services under the  
2 Community Services Block Grant Act (Public Law 97-1135, 42  
3 U.S.C. § 9902(2)).

4 "New job." A full-time equivalent job created during the  
5 initial construction of community solar facilities and paying  
6 the prevailing minimum wage and benefit rates for each craft of  
7 classification as determined by the Labor and Industry  
8 Prevailing Wage Act.

9 "PJM." PJM Interconnection LLC is a regional wholesale  
10 electric market and transmission organization, approved by the  
11 Federal Energy Regulatory Commission, that operates an electric  
12 transmission system in the Mid-Atlantic region that includes  
13 Pennsylvania.

14 "PJM day ahead energy price." The price for a Pricing Date  
15 that will be that day's Specified Price per MWh of electricity  
16 for delivery on the Delivery Date, stated in US Dollars,  
17 published by PJM under the headings "Daily Day-Ahead LMP" or any  
18 successor headings that reports prices effective on that pricing  
19 date.

20 "PJM effective load carrying capacity." A determination of  
21 the capacity interconnection rights value and the current  
22 capacity credit calculation by computing the average output of a  
23 resource during the most recent summer periods.

24 "Prevailing Wage Act." The act of August 15, 1961 (P.L.987,  
25 No.442), known as the Pennsylvania Prevailing Wage Act.

26 "Price to Compare." The price per kilowatt hour an electric  
27 distribution company charges, developed based on what the  
28 company pays for electricity during auctions held over a two-  
29 year period on the PJM wholesale energy market, and includes:

30 (1) Charges for generation and transmission.

1           (2) The State's gross receipts tax.

2           (3) The utility's charges for implementation of the  
3           alternative energy portfolio standards.

4           "Smart inverter." A device that converts direct current into  
5           alternating current and can autonomously contribute to grid  
6           support by providing each of the following:

7           (1) Dynamic reactive and real power support.

8           (2) Voltage and frequency ride-through.

9           (3) Ramp rate controls.

10          (4) Communication systems.

11          (5) Other functions approved by the commission and  
12          published under 15 Pa.C.S. Ch. 74 (relating to the  
13          electricity generation choice for customers of electric  
14          cooperatives).

15          "Subscriber." An electric distribution customer of an  
16          electric distribution company who contracts for one or more  
17          subscriptions of a community solar facility interconnected with  
18          the customer's electric distribution company. The term includes  
19          an electric distribution customer who owns a portion of a  
20          community solar facility.

21          "Subscriber administrator." An entity that recruits and  
22          enrolls subscribers, administers subscriber participation in one  
23          or more community solar facilities and manages the subscription  
24          relationship between subscribers and an electric distribution  
25          company. A subscriber administrator may also be a community  
26          solar organization and may not be considered a utility solely as  
27          a result of a subscriber administrator's operation or ownership  
28          of a community solar facility.

29          "Subscription." A contract between a subscriber and a  
30          subscriber administrator of a community solar facility that

1 entitles the subscriber to a bill credit against the  
2 subscriber's retail electric bill.

3 "Threshold date." The date by which the commission has  
4 approved a tariff filed by a utility under section 30A03(a)(3)  
5 (v) (relating to community solar facilities, electric  
6 distribution companies and subscriber administrators) and no  
7 earlier than five years from the effective date.

8 "Unsubscribed energy." The output of a community solar  
9 facility, measured in kilowatt hours, that is not allocated to  
10 subscribers.

11 § 30A03. Community solar facilities, electric distribution  
12 companies and subscriber administrators.

13 (a) Authorization.--The following shall apply:

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

17 (2) A community solar organization may serve as a  
18 subscriber administrator or may contract with a third party  
19 to serve as a subscriber administrator on behalf of the  
20 community solar organization.

21 (3) Subscribers to community solar facilities shall  
22 receive a monetary bill credit for every kilowatt hour  
23 produced by their subscription that may be used to offset any  
24 part of the subscriber's electric bill. The following shall  
25 apply:

26 (i) A community solar facility that demonstrates  
27 before the threshold date an executed interconnection  
28 agreement, proof of site control, all required  
29 nonministerial permits and proof that the project is in  
30 compliance with section 30A10 (relating to prevailing



1 wage for construction of community solar facilities)  
2 shall, for 25 years from utility permission to operate,  
3 have the initial and any replacement subscribers of that  
4 facility receive a bill credit equivalent to the electric  
5 distribution company's price to compare. Within 90 days  
6 of the effective date of this chapter, the utilities  
7 shall file a tariff making the bill credit described  
8 herein available. The commission shall approve the tariff  
9 within 180 days of the initial filing.

10 (ii) A community solar facility that demonstrates  
11 after the threshold date an executed interconnection  
12 agreement, proof of site control, all required non-  
13 ministerial permits and proof that the project is in  
14 compliance with section 30A10 shall, for 25 years from  
15 utility permission to operate, have the initial and any  
16 replacement subscribers of that facility receive a bill  
17 credit as determined by the commission that considers the  
18 electric distribution company's value stack as described  
19 in subparagraph (iv), and ensures that community solar  
20 facilities are created as intended under section 30A01  
21 (6)(ii) (relating to findings and declarations).

22 (iii) Subscribers to a single community solar  
23 facility may not be permitted to receive compensation  
24 from a bill credit described in subparagraph (ii) if the  
25 community solar facility receives a grid services payment  
26 authorized by section 30A09 (relating to grid services  
27 payment).

28 (iv) The value stack shall consist of at least the  
29 following:

30 (A) The PJM day ahead energy price.

1           (B) A capacity value based on the PJM effective  
2           load carrying capacity method for solar, wind and  
3           storage, as applicable.

4           (C) The environmental value as set and made  
5           available by subsection (b) of the AEPS or its  
6           successor.

7           (D) An avoided distribution and transmission  
8           value determined by the commission. The avoided  
9           distribution and transmission value shall:

10           (I) Use a load forecast that aligns with  
11           State and regional trends and goals.

12           (II) Require utility data and calculation  
13           transparency.

14           (III) Not be overly narrow in the scope of  
15           what is avoidable whether the community solar  
16           facility is paired with or not.

17           (v) The commission shall solicit feedback on the  
18           criteria for determining the value stack through an  
19           informal workshop process and shall solicit formal  
20           written comments from stakeholders. After the formal  
21           written comments, the commission shall propose the  
22           specific methodology for determining the value stack  
23           based on the criteria through a docketed proceeding.  
24           Within 60 days of the approval of the methodology, the  
25           commission shall use the approved methodology to  
26           calculate the value stack for each utility. Within 180  
27           days of the commission determination of the value stack  
28           for each utility, the commission shall approve a tariff  
29           based on the value stack making the bill credit value  
30           determined by the commission under subparagraph (ii)

1 available to subscribers. The commission shall approve  
2 the tariffs within five years of the effective date of  
3 this chapter.

4 (vi) Subscription costs for low-income subscribers  
5 may not exceed the value of the bill credit and may not  
6 include any upfront or sign-on fees. Subscription costs  
7 are nonbasic utility charges.

8 (vii) The terms and conditions of receiving the bill  
9 credit may not limit or inhibit participation of  
10 subscribers from any rate class.

11 (4) An electric distribution company shall allow for the  
12 transferability and portability of subscriptions, including  
13 allowing a subscriber to retain a subscription to a community  
14 solar facility if the subscriber relocates within the same  
15 electric distribution company territory.

16 (5) A subscriber administrator shall be allowed to  
17 update its list of subscribers and the subscribers' relevant  
18 information in a standardized electronic format approved by  
19 the commission on at least a monthly basis.

20 (b) Customer protection.--The following shall apply:

21 (1) Community solar organizations and subscriber  
22 administrators shall be subject to the customer protection  
23 provisions under Chapters 14 (relating to responsible utility  
24 customer protection) and 15 (relating to service and  
25 facilities) and 52 Pa. Code Ch. 56 (relating to standards and  
26 billing practices for residential public utility service).  
27 The commission shall establish regulations that provide for  
28 the protection of customers who have subscriptions with  
29 community solar organizations or subscriber administrators.

30 (2) The commission shall develop a standardized customer

1 disclosure form that identifies key information that must be  
2 provided by subscriber administrators to potential  
3 subscribers including future costs and benefits of  
4 subscriptions and subscribers' rights and obligations  
5 pertaining to subscriptions.

6 (c) Classification.--A community solar organization, a  
7 subscriber or a third party owning or operating a community  
8 solar facility shall not be considered an electric distribution  
9 company as defined in section 2803 (relating to definitions) or  
10 an electric generation provider solely as a result of  
11 involvement with a community solar facility.

12 (d) Duties of electric distribution companies.--The  
13 following shall apply:

14 (1) On a monthly basis, an electric distribution company  
15 shall provide to a community solar organization and  
16 subscriber administrator a report in a standardized  
17 electronic format indicating the total value of the bill  
18 credit generated by the community solar facility in the prior  
19 month, the calculation used to arrive at that, and the amount  
20 of the bill credit applied to each subscriber.

21 (2) An electric distribution company shall provide a  
22 bill credit to a subscriber's next monthly electric bill for  
23 the proportional output of a community solar facility  
24 attributable to the subscriber. Excess credits on a  
25 subscriber's bill shall roll over from month to month  
26 indefinitely. Excess credits will automatically be applied to  
27 the final electric bill when a subscription is terminated for  
28 any cause.

29 (3) If requested by a community solar organization, an  
30 electric distribution company shall enter into a net

1 crediting agreement with the community solar organization to  
2 include a subscriber's subscription fee on the monthly bill  
3 and provide the customer with a net credit equivalent to the  
4 total bill credit value for that generation period minus the  
5 subscription fee, provided the subscription fee is structured  
6 as a fixed percentage of bill credit value. The net crediting  
7 agreement shall set forth payment terms from the electric  
8 distribution company to the community solar organization and  
9 electric distribution companies may charge a net crediting  
10 fee to the community solar organization that may not exceed  
11 one percent of the bill credit value. The electric  
12 distribution company shall remain responsible for billing all  
13 basic electric services, including transmission, distribution  
14 and generation charges, consistent with the Public Utility  
15 Code and commission regulation. Customer services provided by  
16 the electric distribution company shall also be maintained,  
17 at a minimum, consistent with existing standards prior to  
18 implementation of a community solar organization under the  
19 Public Utility Code and commission regulation.

20 (4) An electric distribution company may not charge a  
21 community solar facility, a community solar organization or a  
22 subscriber to a community solar facility a fee or other type  
23 of charge unless the fee or charge would apply to other  
24 customers that are not a community solar facility, a  
25 community solar organization or a subscriber to a community  
26 solar facility. The electric distribution company may not  
27 require additional equipment or insurance or impose any other  
28 requirement unless the additional equipment, insurance or  
29 other requirement is specifically authorized by order of the  
30 commission.

1 (e) Electric distribution company cost recovery and  
2 compensation.--The following shall apply:

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

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

11 (3) An electric distribution company shall, subject to  
12 approval by the commission, be entitled to recover any  
13 additional costs from the bill credits in subsection (a)(3)  
14 after using the energy, capacity and avoided distribution and  
15 transmission value provided by community solar facilities to  
16 offset the purchase requirements in PJM.

17 § 30A04. Interconnection standards for community solar  
18 facilities.

19 (a) Applications.--Upon the effective date of this chapter,  
20 the following shall apply:

21 (1) An electric distribution company shall immediately  
22 accept interconnection applications for community solar  
23 facilities and study the impact of interconnecting these  
24 facilities to the grid using the current commission-approved  
25 interconnection rules and tariffs and in accordance with best  
26 practices.

27 (2) An electric distribution company may increase fees  
28 by \$2.00 per kilowatt as measured in nominal DC nameplate  
29 capacity for community solar facilities.

30 (3) An interconnection application for community solar

1 facilities shall include proof of site control for the  
2 purpose of the study under paragraph (1).

3 (b) Interconnection Working Group.--Within 90 days of the  
4 effective date of this chapter, the commission shall establish  
5 an Interconnection Working Group between the electric  
6 distribution companies and stakeholders with oversight from  
7 commission staff. The working group shall review, edit, create  
8 or eliminate any policies, processes, tariffs, rules or  
9 standards associated with the interconnection of community solar  
10 facilities, with the goal of transparency, accuracy and  
11 efficiency, to support the achievement of the objectives in this  
12 chapter. The Interconnection Working Group shall report back to  
13 the commission recommended changes within 270 days of the  
14 effective date of this chapter and the commission shall  
15 expeditiously codify any changes.

16 (c) Administrative fees.--The commission may impose an  
17 administrative fee on an initial application for interconnection  
18 for community solar facilities. The commission is authorized to  
19 utilize up to five percent of the initial interconnection  
20 application fees generated under this subsection for  
21 administrative expenses directly associated with this chapter.  
22 § 30A05. Unsubscribed energy.

23 The community solar organization shall be permitted to  
24 rollover undistributed bill credits from one month to the next  
25 on a community solar facility account, as long as it allocates  
26 the bill credits to subscribers within 12 months. To the extent  
27 bill credits are not allocated within 12 months, the electric  
28 distribution company shall purchase the credits from a community  
29 solar facility at the electric distribution company's avoided  
30 energy commodity cost as approved by the commission. In order to

1 offset any real or perceived costs, an electric distribution  
2 company shall use unsubscribed energy to sell into PJM energy  
3 markets or otherwise decrease energy purchases.

4 § 30A06. Customer participation in community solar programs.

5 (a) Regulations.--Not later than 365 days after the  
6 effective date of this section, the commission shall establish  
7 regulations to enable participation in community solar programs  
8 by each customer class and economic group. The commission may  
9 establish the regulations through a special rules process if  
10 necessary to meet the requirements under this section. The  
11 following shall apply:

12 (1) The regulations shall:

13 (i) Be based on consideration of formal and informal  
14 input from all stakeholders.

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

18 (2) The commission, in collaboration with the Office of  
19 Consumer Advocate, electric distribution companies, community  
20 solar organizations and low-income stakeholders may, by  
21 regulation, adopt mechanisms to ensure participation by low-  
22 income customers.

23 (b) Report.--No later than five years after the effective  
24 date of this section, the commission shall submit a report to  
25 the General Assembly detailing the participation in community  
26 solar programs by each customer class and economic group,  
27 including the participation by low-income customers.

28 § 30A07. Location of multiple community solar facilities.

29 The commission shall, by regulation, establish limitations on  
30 the location of multiple community solar facilities in close-



1 proximity. The regulations shall:

2 (1) Prohibit an entity, affiliated entity or entities  
3 under common control from developing, owning or operating  
4 more than one community solar facility on the same parcel or  
5 parcels of land that have been subdivided for the purpose of  
6 developing additional solar projects.

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

11 § 30A08. Land management and stewardship.

12 (a) Disclosure.--The owner or operator of a ground-mounted  
13 community solar facility shall publicly disclose information on  
14 how the land under and around the community solar facility will  
15 be managed on the community solar facility's publicly accessible  
16 Internet website. The information may include a description of  
17 any land use practices that can be beneficial to the health and  
18 quality of waterways, wildlife, flood prevention and  
19 agriculture.

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

26 (c) Decommissioning, recycling, potential reuse and  
27 photovoltaic panel removal.--The subscriber organization will be  
28 responsible for a plan outlining timeframes and estimated costs  
29 for decommissioning of the system, including removal, potential  
30 reuse and recycling of panels, at the end of the useful life of

1 the facility. Funding mechanisms to cover the plan shall be  
2 secured through bonding or other mechanisms and shall take into  
3 consideration salvage value to ensure the costs are not borne by  
4 landowners, the State, county or municipality.

5 § 30A09. Grid services payment.

6 (a) Tariff.--Within 90 days of the effective date of this  
7 chapter, an electric utility shall file a petition with the  
8 commission requesting approval of the electric distribution  
9 company's tariff to provide the grid services payment to a  
10 community solar facility owner. The tariff shall be available to  
11 owners of community solar facilities that have installed a smart  
12 inverter that applies the settings detailed in the tariff. The  
13 settings shall serve the purpose of preserving reliability  
14 without negatively affecting the operation or production of the  
15 community solar facility. Nothing in this section shall negate  
16 or supersede Institute of Electrical and Electronics Engineers  
17 interconnection requirements or standards or other similar  
18 standards or requirements.

19 (b) Payment.--Until the threshold date, a community solar  
20 facility owner may apply for a grid services payment as provided  
21 for in this section. The value shall be an annual payment of  
22 \$0.18 per watt of nameplate generating capacity, measured as  
23 nominal DC capacity output, of a community solar facility. The  
24 payment shall be paid to a community solar facility annually for  
25 the first five years of operation. An electric utility shall  
26 issue the first payment under this subsection no later than 60  
27 days after the applicant has shown proof that 75% of the  
28 nameplate capacity of the community solar facility has been  
29 subscribed.

30 (c) Review.--The commission shall review the proposed tariff

1 submitted under this section and may make changes to the tariff  
2 that are consistent with this section and with the commission's  
3 authority, subject to notice and hearing. The commission shall  
4 have 180 days to approve the tariff.

5 (d) Alternative energy credits.--Alternative energy credits  
6 produced by a community solar facility that receives a grid  
7 services payment shall be awarded to electric distribution  
8 companies and may be sold for cost recovery and treatment of  
9 payments for the program.

10 (e) Carbon budget trading markets.--A community solar  
11 facility that receives a grid services payment shall not qualify  
12 for any investment funds resulting from this Commonwealth's  
13 participation in the Regional Greenhouse Gas Initiative or any  
14 other carbon budget trading market.

15 (f) Cost recovery.--An electric distribution company shall  
16 recover from its electric distribution customers all of the  
17 costs of the grid services payment made under a tariff or  
18 tariffs placed into effect under this section, the value of the  
19 services payments and all costs incurred by the utility to  
20 comply with and implement this section, in accordance with the  
21 following:

22 (1) The electric distribution company shall defer the  
23 full amount of its costs incurred under this section as a  
24 regulatory asset. The full amount of costs deferred as a  
25 regulatory asset shall be amortized over a period of time  
26 that is at least equal in length to the useful life of the  
27 smart inverters associated with the payments.

28 (2) After the commission has approved the prudence and  
29 reasonableness of the costs that comprise the regulatory  
30 asset, the electric utility shall be permitted to recover all

1 the costs and the value and recoverability through rates of  
2 the associated regulatory asset may not be limited, altered,  
3 impaired, or reduced.

4 § 30A10. Prevailing wage for construction of community solar  
5 facilities.

6 (a) Application.--A community solar facility for which a  
7 bill credit is sought and awarded to a subscriber under this  
8 chapter is deemed to meet each of the minimum requirements  
9 necessary to apply the wage and benefit rates, and related  
10 certification of payroll records, required by the Prevailing  
11 Wage Act. A community solar organization, or the community solar  
12 organization's agent, and all contractors and subcontractors, of  
13 every tier engaged to perform on the community solar facility  
14 must comply with all provisions and requirements of the  
15 Prevailing Wage Act for all new jobs and for all crafts or  
16 classifications performing construction, reconstruction,  
17 demolition, alteration or repair work, other than maintenance  
18 work, undertaken at the community solar facility during the  
19 initial construction and during any period in which bill credits  
20 for subscribers are sought and awarded.

21 (b) Compliance.--The Department of Labor and Industry shall  
22 enforce this section and shall apply the same administration and  
23 enforcement applicable to any project of construction,  
24 reconstruction, demolition, alteration or repair work, other  
25 than maintenance work, undertaken under the requirements of the  
26 Prevailing Wage Act to ensure compliance.

27 (c) Notification.--Prior to the solicitation of bids or  
28 procedures of the proposals of any contract or subcontract  
29 covered under subsection (a), the community solar organization  
30 or the community solar organization's agent, shall notify the

1 Department of Labor and Industry of the solicitation and request  
2 the issuance of a wage and benefit rate determination for all  
3 crafts and classifications for anticipated new jobs at the  
4 community solar facility. Rate requests shall be in conformity  
5 with the Prevailing Wage Act, and the Department of Labor and  
6 Industry shall issue rates upon request as required under this  
7 section and the provisions of the Prevailing Wage Act.

8 (d) Violation.--In addition to enforcement authorized under  
9 the Prevailing Wage Act and subsection (b), if, after notice and  
10 hearing, the Department of Labor and Industry determines that  
11 the community solar organization or the community solar  
12 organization's agent intentionally failed to pay or  
13 intentionally caused another to fail to pay prevailing wage  
14 rates or benefit rates as set forth under section 11(h) of the  
15 Prevailing Wage Act for work covered under subsection (a), or  
16 ratified any intentional failure by a contractor or  
17 subcontractor of the community solar organization, the community  
18 solar organization or the community solar organization's agent  
19 shall pay a fine equivalent to 10% of the value of the bill  
20 credit multiplied by the estimated 25-year production of the  
21 facility.

22 (e) Appeal.--A finding of a violation under subsection (d)  
23 shall be appealable under section 2.2(e)(1) of the Prevailing  
24 Wage Act and 34 Pa. Code § 213.3 (relating to appeals from  
25 determinations of the secretary). Any final determination by the  
26 appeals board under the Prevailing Wage Act may be appealed in  
27 accordance with 2 Pa.C.S. (relating to administrative law and  
28 procedure).

29 Section 2. This act shall take effect in 60 days.