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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 675      Session of  
2007

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INTRODUCED BY ERICKSON, FERLO, MUSTO, WAUGH, FONTANA, TOMLINSON,  
RAFFERTY, O'PAKE, GREENLEAF, PILEGGI, WONDERLING, RHOADES,  
McILHINNEY, MELLOW, C. WILLIAMS, COSTA AND STACK,  
MARCH 23, 2007

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REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, MARCH 23, 2007

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AN ACT

1 Establishing the Solar Energy System Incentives Program; and  
2 providing for powers and duties of the Pennsylvania Public  
3 Utility Commission and the Department of Environmental  
4 Protection and for incentives and rebates.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Solar Energy  
9 System Incentives Program.

10 Section 2. Definitions.

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

14 "Account." The Solar Energy System Incentives Account  
15 consisting of funds appropriated from the General Assembly or  
16 received from Federal grants and loans.

17 "Commission." The Pennsylvania Public Utility Commission.

18 "Department." The Department of Environmental Protection of

1 the Commonwealth.

2 "Solar energy system." Equipment that provides for the  
3 collection and use of incident solar energy for water heating,  
4 space heating or cooling or other applications that would  
5 normally require a conventional source of energy such as  
6 petroleum products, natural gas or electricity that performs  
7 primarily with solar energy. In other systems in which solar  
8 energy is used in a supplemental way, only those components that  
9 collect and transfer solar energy shall be included in this  
10 definition.

11 "Solar photovoltaic system." A device that converts incident  
12 sunlight into electrical current.

13 "Solar thermal system." A device that traps heat from  
14 incident sunlight in order to heat water.

15 "Sustainable Energy Fund PV Grant Program." Pennsylvania's  
16 Sustainable Energy Fund, established under the Pennsylvania  
17 Public Utility Commission's restructuring orders under 66  
18 Pa.C.S. Ch. 28 (relating to restructuring of electric utility  
19 industry).

20 Section 3. Account.

21 (a) Establishment of account.--The Solar Energy System  
22 Incentives Account is hereby established in the General Fund to  
23 be utilized by the department for the creation, development,  
24 administration, management and implementation of the Solar  
25 Energy System Incentives Program established under this act.

26 (b) Moneys deposited in account.--All of the following  
27 moneys shall be deposited into the account:

28 (1) Federal or State funds or both appropriated by the  
29 General Assembly for the purposes of this act.

30 (2) Notwithstanding any other provision of law to the

contrary, any interest earned upon money deposited into the account.

(c) Continuous appropriation.--

(1) Except as provided in paragraph (2), notwithstanding any other provision of law to the contrary, the money in the account is continuously appropriated without regard to fiscal years to the department for the implementation and administration of the program.

(2) The money in the account may be expended by the department for the implementation and administration of the program only upon appropriation by the General Assembly.

Section 4. Solar Energy System Incentives Program established.

(a) Establishment.--There is established within the department the Solar Energy System Incentives Program.

(b) Purpose.--The program shall provide for the creation, development, administration, management and implementation of a program to provide financial incentives for the purchase and installation of solar energy systems. Any resident of this Commonwealth who purchases and installs a new solar energy system of 1.0 kilowatts or larger for a solar photovoltaic system, or a solar energy system that provides at least 30% of a building's hot water consumption for a solar thermal system from July 1, 2007, through June 30, 2015, is eligible for a rebate on a portion of the purchase price of that solar energy system.

Section 5. Solar photovoltaic system incentive.

(a) Eligibility requirements.--A solar photovoltaic system qualifies for a rebate if:

(1) The system is installed by a master electrician, electrical contractor or solar contractor and is recognized by the Sustainable Energy Fund PV Grant Program or similar

1 program developed by the department.

2 (2) The system complies with State interconnection  
3 standards as approved by the commission.

4 (3) The system complies with all applicable electrical  
5 and electrician and building codes as determined by State and  
6 local jurisdictional authority.

7 (b) Rebate amounts.--The rebate amount shall be set at \$3  
8 per watt based on the total nominal wattage rating of the  
9 system. The maximum allowable rebate per solar photovoltaic  
10 system installation shall be as follows:

11 (1) Twenty thousand dollars for a residence.

12 (2) Three hundred thousand dollars for a place of  
13 business, a publicly owned or operated facility or a facility  
14 owned or operated by a private, not-for-profit organization,  
15 including condominiums, housing associations or apartment  
16 buildings.

17 Section 6. Solar thermal system incentive.

18 (a) Eligibility requirements.--A solar thermal system  
19 qualifies for a rebate if:

20 (1) The system is installed by a plumbing contractor or  
21 solar contractor and is recognized by the Sustainable Energy  
22 Fund PV Grant Program or similar program developed by the  
23 department.

24 (2) The system complies with all applicable electrical,  
25 electrician and building codes as determined by State and  
26 local jurisdictional authority.

27 (b) Rebate amounts.--Authorized rebates for installation of  
28 solar thermal systems for the first two years after the  
29 effective date of this act and thereafter set by the department  
30 shall be as follows:

1           (1) One thousand dollars for a residence.

2           (2) Twenty percent of the cost up to a maximum of \$5,000  
3       for a place of business, a publicly owned or operated  
4       facility, or a facility owned or operated by a not-for-profit  
5       entity, including condominiums, homeowners associations and  
6       apartment buildings. British thermal units (Btu) must be  
7       verified by approved metering equipment.

8       Section 7. Rebate availability.

9       The department shall determine and publish public information  
10      on an Internet website on the availability of funds and other  
11      details, including the amount of rebate money remaining in the  
12      fund. The total dollar amount of all rebates issued by the  
13      department is subject to the total amount of appropriations in  
14      any fiscal year for this program. If funds are insufficient  
15      during the current fiscal year to meet qualifying application  
16      needs, any requests for rebates received during the fiscal year  
17      may be processed during the following fiscal year. Requests for  
18      rebates received in a fiscal year that are processed during the  
19      following fiscal year shall be given priority over requests for  
20      rebates received during the following fiscal year. The  
21      department shall set the rebate level as market conditions deem  
22      appropriate after the first two years from the effective date of  
23      this act.

24      Section 8. Standards.

25      To be eligible for solar photovoltaic incentives, solar  
26      photovoltaic system equipment must comply with the hardware  
27      standards criteria defined under the Sustainable Energy Fund PV  
28      Grant Program or set forth by the commission. These systems must  
29      be verified and inspected as defined by the commission, as  
30      applicable. To be eligible for solar thermal incentives, solar

1 thermal system equipment must comply with the hardware standards  
2 criteria defined by the commission. These systems must be  
3 verified and inspected as defined by the commission, as  
4 applicable.

5 Section 9. Effective date.

6 This act shall take effect in 60 days.