
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2637 Session of
2018

INTRODUCED BY FARRY, GALLOWAY, DAVIS, WATSON, MILLARD, DeLUCA,
DALEY, CHARLTON, STURLA, MUSTIO, BARRAR, CUTLER, JAMES, KIM
AND GILLESPIE, SEPTEMBER 12, 2018

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, SEPTEMBER 12, 2018

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, in municipal authorities, further
3 providing for purposes and powers.

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

6 Section 1. Section 5607 of Title 53 of the Pennsylvania
7 Consolidated Statutes is amended by adding a subsection to read:
8 § 5607. Purposes and powers.

9 * * *

10 (h) Specific provisions for resource recovery facilities.--

11 (1) An electric distribution company shall purchase from
12 an authority that owns, leases or is a party to an agreement
13 whereby a third-party operates a facility for generating
14 surplus electric power under subsection (a)(7) or (12), or
15 other similar resource recovery facility that is not owned,
16 operated or leased by the authority but which receives refuse
17 material from the authority, as authorized by subsection (a)
18 (7), or municipality, through an agreement effective as of

1 January 1, 2017, or thereafter, all electrical energy
2 produced by the resource recovery facility that is not
3 consumed by the facility at the default service commodity
4 rate as determined by the electric distribution company for
5 sales to residential customers taking provider of last resort
6 or default service.

7 (2) The electric distribution company shall fully
8 recover the costs of the purchase and any reasonable related
9 costs from providers of last resort or default service
10 customers as part of the rate structure for such service.

11 (3) Nothing in this subsection shall be construed to
12 impact a resource recovery facility's ability to fully
13 participate in capacity markets nor the remuneration
14 therefrom.

15 (4) For purposes of this subsection, "default service
16 commodity rate" means the generation supply service rate as
17 provided in 66 Pa.C.S. § 2807(e) (7) (relating to duties of
18 electric distribution companies).

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