
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 531 Session of
2019

INTRODUCED BY KAUFER, BULLOCK, SCHWEYER, MILLARD, DONATUCCI,
CALTAGIRONE, SCHLOSSBERG, ULLMAN, MURT, VITALI, DIGIROLAMO,
MCNEILL, PICKETT, BARRAR, FREEMAN, NEILSON, STAATS, HILL-
EVANS, COMMITTA, ZABEL, SHUSTERMAN, WARREN, DAWKINS,
RAVENSTAHL, TOOHL, MULLINS, BURGOS, DALEY, JAMES, ISAACSON,
STEPHENS, MEHAFFIE, HERSHEY, STURLA, T. DAVIS, INNAMORATO,
KINSEY, KENYATTA, SAPPEY, CIRESI, DRISCOLL AND FRANKEL,
FEBRUARY 25, 2019

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 25, 2019

AN ACT

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

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

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

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

21 (2) Local solar energy generation can contribute to a

1 more resilient grid and defer the need for costly new
2 transmission and distribution system expansion.

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

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

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

14 (6) The intent of this act is to:

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

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

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

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

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

3 Section 2. The definition of "customer-generator" in section
4 2 of the act of November 30, 2004 (P.L.1672, No.213), known as
5 the Alternative Energy Portfolio Standards Act, is amended and
6 the section is amended by adding definitions to read:

7 Section 2. Definitions.

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

11 * * *

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

16 * * *

17 "Community solar facility." A facility that:

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

22 (2) Is located within this Commonwealth.

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

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

30 (5) Has at least two subscribers.

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

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

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

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

29 * * *

30 "Low-income customer." A retail residential end user of an

1 electric distribution company whose household income does not
2 exceed 200% of the Federal poverty level, adjusted for family
3 size. Nothing in this definition shall be construed to require a
4 customer who qualifies as a low-income customer to provide
5 additional income verification after becoming a subscriber.

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

12 * * *

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

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

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

27 * * *

28 "Unsubscribed energy." The output of a community solar
29 facility, measured in kilowatt hours, that is not allocated to
30 subscribers.

1 Section 3. Section 5 of the act is amended to read:

2 Section 5. Interconnection standards for customer-generator
3 facilities.

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

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

18 Section 9. Unsubscribed energy.

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

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

28 (a) Authorization.--

29 (1) A community solar facility may be built, owned or
30 operated by a third party entity under contract with a

1 community solar organization or a subscriber administrator.

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

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

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

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

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

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

29 (3) If a community solar organization is using the
30 electric distribution company's billing methods to collect

1 subscription fees, the subscription fee for the month owed by
2 each subscriber to the community solar organization.

3 (d) Customer protection.--

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

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

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

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

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

28 (f) Construction.--A community solar organization, a
29 subscriber or third party owning or operating a community solar
30 facility shall not be considered an electric distribution

1 company as defined in 66 Pa.C.S. § 2803 (relating to
2 definitions) or an electric generation provider solely as a
3 result of involvement with a community solar facility.

4 (g) Duties of electric distribution companies.--

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

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

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

26 (4) Not later than one year after the effective date of
27 this section, an electric distribution company shall make
28 available and update, in a commercially reasonable manner, a
29 system map showing the loading of the distribution system and
30 indicating where in the service territory the distribution

1 system could accommodate new solar generation.

2 (h) Compensation.--

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 community solar organization's service territory.

11 Section 11. Customer participation in community solar programs.

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

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

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

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

27 (4) Authorize electric distribution companies to use
28 money allocated for customer assistance programs to support
29 low-income customer participation in community solar
30 facilities if the price per kilowatt hour of electricity from

1 the community solar facility is at or below the default
2 price.

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

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

11 Section 12. Location of multiple community solar facilities.

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

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

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

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

28 Section 13. Land management and stewardship.

29 (a) Disclosure.--The owner or operator of a ground-mounted
30 community solar facility shall publicly disclose information on

1 how the land under and around the community solar facility will
2 be managed on the community solar facility's publicly accessible
3 Internet website. The information may include, but not be
4 limited to, a description of any stewardship or land use
5 practices that can be beneficial to the health and quality of
6 local soils and waters, native pollinators and wildlife and
7 managed honey bees and agriculture.

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

14 Section 5. Section 9 of the act is renumbered to read:

15 Section [9] 14. Effective date.

16 This act shall take effect in 90 days.

17 Section 6. This act shall take effect in 60 days.