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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1394 Session of  
2021

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INTRODUCED BY QUINN, HILL-EVANS, GUENST, ROZZI, SCHLOSSBERG,  
FARRY, CIRESI, HERRIN, WEBSTER, SCHROEDER, STEPHENS,  
POLINCHOCK, THOMAS AND MILLARD, MAY 20, 2021

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REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,  
MAY 20, 2021

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AN ACT

1 Providing for alternative energy portfolio standards.

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

4 Section 1. Short title.

5 This act shall be known and may be cited as the Customer-  
6 Generator Energy Choice Act.

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 "Alternative energy credit." As defined in section 2 of the  
12 act of November 30, 2004 (P.L.1672, No.213), known as the  
13 Alternative Energy Portfolio Standards Act.

14 "Alternative energy portfolio standards." As defined in  
15 section 2 of the Alternative Energy Portfolio Standards Act.

16 "Alternative energy sources." As defined in section 2 of the

1 Alternative Energy Portfolio Standards Act.

2 "Commission." As defined in section 2 of the Alternative  
3 Energy Portfolio Standards Act.

4 "Customer-generator." As defined in section 2 of the  
5 Alternative Energy Portfolio Standards Act.

6 "Electric distribution company." As defined in section 2 of  
7 the Alternative Energy Portfolio Standards Act.

8 "Electric generation supplier." As defined in section 2 of  
9 the Alternative Energy Portfolio Standards Act.

10 "Net metering." As defined in section 2 of the Alternative  
11 Energy Portfolio Standards Act.

12 "Reporting year." The term shall have the same meaning as  
13 "reporting period" in section 2 of the Alternative Energy  
14 Portfolio Standards Act.

15 "Retail electric customer." As defined in section 2 of the  
16 Alternative Energy Portfolio Standards Act.

17 "Tier I." The term shall have the same meaning as "tier I  
18 alternative energy source" in section 2 of the Alternative  
19 Energy Portfolio Standards Act.

20 Section 3. Alternative energy portfolio standards.

21 (a) Tier I and solar photovoltaic shares.--Notwithstanding  
22 section 3(b) of the act of November 30, 2004 (P.L.1672, No.213),  
23 known as the Alternative Energy Portfolio Standards Act, each  
24 electric distribution company and electric generation supplier  
25 shall purchase, at a minimum, an amount of Tier I alternative  
26 energy credits equal to the percentage of electric energy  
27 required to be sold by an electric distribution company or  
28 electric generation supplier to retail electric customers as  
29 follows:

30 (1) Beginning in the reporting year commencing on June

1 1, 2021, the minimum percentage of electric energy required  
2 to be sold by an electric distribution company or electric  
3 generation supplier to retail electric customers in this  
4 Commonwealth from Tier I alternative energy sources for each  
5 reporting year is:

- 6 (i) 8.75% for June 1, 2021, through May 31, 2022.
- 7 (ii) 9.50% for June 1, 2022, through May 31, 2023.
- 8 (iii) 11.00% for June 1, 2023, through May 31, 2024.
- 9 (iv) 12.75% for June 1, 2024, through May 31, 2025.
- 10 (v) 14.00% for June 1, 2025, through May 31, 2026.
- 11 (vi) 14.25% for June 1, 2026, through May 31, 2027.
- 12 (vii) 14.45% for June 1, 2027, through May 31, 2028.
- 13 (viii) 14.70% for June 1, 2028, through May 31,  
14 2029.
- 15 (ix) 15.00% for June 1, 2029, and thereafter.

16 (2) Beginning in the reporting year commencing on June  
17 1, 2021, the total percentage of the electric energy sold by  
18 an electric distribution company or electric generation  
19 supplier to retail electric customers in this Commonwealth  
20 that must be sold from customer-generator solar photovoltaic  
21 technologies is:

- 22 (i) 0.70% for June 1, 2021, through May 31, 2022.
- 23 (ii) 0.95% for June 1, 2022, through May 31, 2023.
- 24 (iii) 1.20% for June 1, 2023, through May 31, 2024.
- 25 (iv) 1.40% for June 1, 2024, through May 31, 2025.
- 26 (v) 1.60% for June 1, 2025, through May 31, 2026.
- 27 (vi) 1.85% for June 1, 2026, through May 31, 2027.
- 28 (vii) 2.10% for June 1, 2027, through May 31, 2028.
- 29 (viii) 2.30% for June 1, 2028, through May 31, 2029.
- 30 (ix) 2.50% for June 1, 2029, and thereafter.

1           (3) For purposes of the requirements under paragraph  
2           (2), solar photovoltaic technologies that are owned and  
3           operated by customer-generators shall include any of the  
4           following:

5                 (i) Solar photovoltaic technologies that qualify as  
6                 customer-generators.

7                 (ii) Non-customer-generator solar photovoltaic  
8                 technologies that were certified before or on May 31,  
9                 2021, and qualify to generate solar alternative energy  
10                credits.

11           (4) Electric generation suppliers with existing written  
12           supply contracts in effect prior to the effective date of  
13           this section shall be exempt from purchasing increased Tier I  
14           alternative energy credits under this subsection for the  
15           quantity of load supplied under the existing contracts until  
16           those supply contracts expire. This limited exemption for the  
17           quantity of load supplied under existing contracts shall not  
18           lead to a reallocation of such exempt load requirements to  
19           any other electric generation suppliers.

20           (b) Alternative compliance payment.--Notwithstanding section  
21           3(f) of the Alternative Energy Portfolio Standards Act,  
22           beginning with the reporting year 2022, the alternative  
23           compliance payment required for each megawatt hour of shortfall  
24           for the customer-generator solar photovoltaic share specified  
25           under section (a) (2) shall be the following in each reporting  
26           year:

27                 (1) \$125 for reporting years 2022 through 2025;

28                 (2) \$120 for reporting years 2026 through 2029;

29                 (3) \$115 for reporting years 2030 through 2033;

30                 (4) \$100 for reporting year 2034; and

1           (5) An annually decreasing amount that is \$5 less than  
2           the previous reporting year starting in reporting year 2035  
3           and culminating in \$40 for reporting year 2046 and  
4           thereafter.

5 Section 4. Effective date.

6           This act shall take effect immediately.