



SPONSOR: Rep. Mulrooney & Sen. McDowell
Reps. Brady, Kowalko, Lynn, Paradee; Sen. Walsh

HOUSE OF REPRESENTATIVES
149th GENERAL ASSEMBLY

HOUSE BILL NO. 480

AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO NET ENERGY METERING.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend Chapter 10, Title 26 of the Delaware Code, by making deletions as shown by strike through,
2 insertions as shown by underline and redesignate as follows:

3 § 1014 Public purpose programs and consumer education.

4 (e) The rules and regulations promulgated for net energy metering by the Commission, municipal electric
5 companies, and electric cooperatives during any period of exemption under § 223 of this title shall:

6 (2) Provide for customers participating in a community-owned energy generating facility to be ~~credited in~~
7 ~~kilowatt-hours (kWh), valued at an amount per kWh equal to supply service charges according to each account's rate~~
8 ~~schedule for any excess production of the community-owned energy generating facility. For customers that host a~~
9 ~~community-owned energy generating facility or where all participating customers are located on the same distribution~~
10 ~~feeder as a community-owned energy generating facility, credit~~ credited a monetary value equal to the in kWh rate
11 ~~shall be valued~~ according to each account's rate schedule and the rules and regulations promulgated for net energy
12 metering under paragraph (e)(1) or (3) of this section. Excess kWh credits shall be credited to subsequent billing
13 periods to offset customers' consumption in those billing periods. At the end of the annualized billing period, a
14 customer participating in a community-owned generating facility ~~community~~ may request a payment from the electric
15 supplier for any excess kWh credits. ~~The payment shall be calculated by multiplying the excess kWh credits by the~~
16 ~~supply service rate of the account hosting the community-owned energy generating facility.~~ Such payment shall be
17 made to the ~~account hosting~~ customer participating in the community-owned energy generating facility, and may be
18 credited to the account through monthly billing if less than \$25. Any excess kWh credits shall not reduce any fixed
19 monthly customer charges, excluding demand charges, imposed by the electric supplier. The customers participating in
20 a community-owned energy generating facility retain ownership of all RECs associated with electric energy produced
21 unless the customer has relinquished such ownership by contractual agreement with a third party.

(9) Absent the promulgation of rules and regulations pursuant to paragraph (e)(3) of this section, individual customers may aggregate their individual meters in conjunction with a community-owned energy generating facility, provided that:

a. A community includes customers sharing a unique set of interests; and

b. Electric suppliers, DEC, DP&L, and municipal electric companies shall only allow meter aggregation for customer accounts of which they provide electric supply service; and

~~c. A community-owned energy generating facility is designed to produce no more than 110% of the community's aggregate electrical consumption of its individual customers, calculated on the average of the 2 previous 12-month periods of actual electrical usage at the time of installation of energy generating equipment. For new building construction, electrical consumption will be estimated at 110% of the consumption of units of similar size and characteristics at the time of installation of energy generating equipment; and~~

~~d. A community-owned energy generating facility shall not exceed a capacity of the sum total of the individual unit allowances as defined under paragraph (d)(1) of this section among the participants of a community-owned energy generating facility 5MWac; and~~

e. Community-owned energy generating facilities may include technologies defined under § 352(6)a.-h. of this title;

f. Before a community-owned net energy metering system may be formed and served by an electric supplier, DP&L, DEC, or municipal electric company, the community proposing a community-owned energy generating facility shall file with the Delaware Energy Office and the electric supplier, DP&L, DEC, or the appropriate municipal electric company a description of the energy generating facility, including the facility's host location, capacity, and fuel type or generating technology. ~~the following information:~~

~~1. A list of individual meters the community desires to aggregate identified by name, address, and account number; and~~

~~2. A description of the energy generating facility, including the facility's host location, capacity, and fuel type or generating technology; and~~

~~3. The quantity of kWh credits attributed to each customer, which the electric supplier, DP&L, DEC, or the appropriate municipal electric company shall true-up at the end of the annualized billing period;~~

g. A community may change its list of aggregated meters no more than monthly ~~quarterly~~ by providing ~~90 days'~~ written notice to the electric supplier, DP&L, DEC, or the appropriate municipal electric company; and

51 h. If the community removes individual customers from the aggregate, the community shall either
52 replace the removed customers, ~~reduce the generating capacity of the community-owned energy generating facility~~
53 ~~to remain compliant with the provisions provided under paragraphs (e)(9)c. and d. of this section, or negotiate with~~
54 ~~the electric supplier, DP&L, DEC, or the appropriate municipal electric company to establish a mutually~~
55 ~~acceptable agreement for any excess kWh credit~~ or the community shall be paid at the Utility's avoided cost for
56 any energy that is unallocated;

57 i. An electric supplier, DP&L, DEC, or municipal electric companies may require that customers
58 participating in a community-owned energy generating facility have their meters read on the same billing cycle;
59 and

60 j. Neither customers nor owners of community-owned energy generating facilities shall be subject to
61 regulation as either public utilities or an electric supplier.

62 (10). The Delaware Renewable Energy Taskforce, in consultation with the Delaware Sustainable Energy Utility
63 and one or more organizations representing low income communities, shall make recommendations to the Governor, the
64 General Assembly, and the Commission by April 1, 2019, to ensure at least 15 percent of the estimated annual generating
65 capacity of all community-owned generating facilities, in the aggregate, is dedicated to low and moderate income
66 customers, including low-income customers residing in all housing types including single-family and multifamily
67 residences. Recommendations shall include incentives and measures such as higher prices for solar renewable energy
68 credits, higher customer bill credits, credit adders, training opportunities, or other mechanisms to ensure low-income,
69 moderate-income, and affordable housing customers participation in community owned generating facilities. Incentives
70 shall differentiate for financing barriers faced by low-income residential customers, affordable housing providers, and low-
71 income service organizations and be structured to ensure tangible economic benefits for these customers. The Commission
72 shall consider and implement recommendations by June 1, 2019. The Renewable Energy Taskforce and the Sustainable
73 Energy Utility shall update their recommendations annually.

74 Section 2. This Act shall become effective upon enactment.

SYNOPSIS

This legislation increases access to Delaware's existing community solar program by expanding geographic eligibility requirements of the program. The legislation also ensures 15% of all community solar facilities provide savings to low-to-moderate income households, and enables community solar facilities to reach 5 megawatts in size, which will maximize solar savings and grow the number of homes that can subscribe to a program.