SPONSOR: Sen. Hansen & Rep. Burns & Rep. Heffernan
Sens. Huxtable, Poore; Reps. Morrison, Phillips

DELAWARE STATE SENATE
153rd GENERAL ASSEMBLY

SENATE JOINT RESOLUTION NO. 1

DIRECTING ALL ELECTRIC UTILITIES IN DELAWARE THAT OFFER NET METERING TO SOLAR CUSTOMERS TO CONTINUE TO PARTICIPATE IN A COST-BENEFIT STUDY AND ANALYSIS OF NET METERING, INCLUDING COST BURDENS AND COST SHIFTING, UNDERTAKEN BY THE DELAWARE SUSTAINABLE ENERGY UTILITY, AND EXTENDING THE REPORTING DATE.

WHEREAS, most residents who have a solar photovoltaic system installed on their residential dwelling unit participate in a net metering program where they receive retail credit for the energy that they export to the grid; and

WHEREAS, retail credit for net metering often includes credit for services other than the cost of energy; and

WHEREAS, across the country, net metering has often led to the shifting of electric, transmission, and other costs from those who have solar to those who do not; and

WHEREAS, residential customers who do not have solar systems typically have lower incomes than those who can afford solar; and

WHEREAS, State law currently provides for an 8% net metering cap for all utilities, which restricts utilities from accepting net metering customers once the 8% cap is met; and

WHEREAS, experience has shown that, upon reaching the cap, some utilities will exercise their right to no longer accept new net metering customers; and

WHEREAS, the inability to net meter is a significant detriment to the growth and health of the solar industry; and

WHEREAS, states across the country have grappled with changes to their net metering statutes to allow for net metering, but at some equitable level; and

WHEREAS, determining the equitable level of net metering crediting has often been tied to the performance of a cost-benefit study and analysis to properly set the value of the net-metering credit; and

WHEREAS, the Senate and the House of Representatives of the 152nd General Assembly of the State of Delaware passed Senate Joint Resolution No. 3, wherein the Delaware Sustainable Energy Utility ("DESEU") was requested to fund and perform a cost-benefit study and analysis of net metering across all electric utilities in Delaware; and

WHEREAS, Senate Joint Resolution No. 3 was signed by the Governor; and

WHEREAS, Senate Joint Resolution No. 3 required that all electric utilities that offer net metering to solar customers to participate in the DESEU study and analysis; and

WHEREAS, Senate Joint Resolution No. 3 required that the DESEU work with the electric utilities, the Department of Natural Resources and Environmental Control, the Division of the Public Advocate, and other interested stakeholders to finalize the net metering study and issue the report; and

WHEREAS, Senate Joint Resolution No. 3 required that, no later than December 31, 2024, DESEU submit a report detailing the findings from the cost-benefit study and analysis of net metering across all electric utilities in Delaware to the following: the Governor and all members of the General Assembly, with copies to the Director and the Librarian of the Division of Research of Legislative Council, and the Delaware Public Archives; and

WHEREAS, the DESEU has diligently pursued the work of the study, but given the scope and complexity, the DESEU needs additional time to work with the electric utilities, state agencies, and other interested stakeholders to complete and issue the report.

NOW, THEREFORE:

BE IT RESOLVED that the Senate and the House of Representatives of the 153rd General Assembly, with the approval of the Governor, that the Delaware Sustainable Energy Utility ("DESEU") is requested to complete the cost-benefit study and analysis of net metering across all electric utilities in Delaware.

BE IT FURTHER RESOLVED that all electric utilities that offer net metering to solar customers are required to participate in the DESEU study and analysis.

BE IT FURTHER RESOLVED that the DESEU must work with the electric utilities, the Department of Natural Resources and Environmental Control, the Division of the Public Advocate, and other interested stakeholders.

BE IT FURTHER RESOLVED that, no later than April 30, 2025, DESEU must submit a report detailing the findings from the cost-benefit study and analysis of net metering across all electric utilities in Delaware to the following: the Governor and all members of the General Assembly, with copies to the Director and the Librarian of the Division of Research of Legislative Council, and the Delaware Public Archives.

SYNOPSIS

Senate Joint Resolution No. 3 was passed by the 152nd General Assembly and signed by the Governor. SJR No. 3 directed all electric utilities in Delaware that offer net metering to solar customers to participate in a cost-benefit study and analysis of net metering in Delaware being undertaken by the Delaware Sustainable Energy Utility to address issues such as cost burdens and cost shifting to non-solar customers. The DESEU was to issue a report by December 31, 2024. However, due to the scope and complexity of the net metering study, the DESEU requires additional time to issue the report. This resolution reinstates the requirements of SJR No. 3 and extends the DESEU's reporting deadline to complete the cost-benefit study and analysis and finalize and issue a report to April 30, 2025.

Author: Senator Hansen