SPONSOR: Sen. McDowell & Rep. D.E. Williams
Sens. Bushweller, Hall-Long, Henry, Katz, Marshall, McBride, Sokola, Venables, Cloutier, Connor, Simpson, Sorenson & Reps. Kowalko, Scott, Schooley, J. Johnson, Q. Johnson, Mulrooney, Jaques, Walls, Mitchell, Brady, Thornburg

DELAWARE STATE SENATE
145th GENERAL ASSEMBLY

SENATE BILL NO. 119

AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO THE RENEWABLE ENERGY PORTFOLIO STANDARDS.

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

Section 1. Amend § 352 (1) of Title 26 of the Delaware Code by inserting “Column 1” after the words “Schedule 1”.

Section 2. Amend § 352 (16) of Title 26 of the Delaware Code by striking “the provisions of this subchapter” and inserting “with Schedule 1, Column 1 in § 354 of this title. A REC includes emission reduction credits and/or allowances encumbered or used by a Generation Unit for compliance with local, state, or federal operating and/or air quality permits associated with the 1 megawatt-hour of electricity.”

Section 3. Amend § 352 (22) of Title 26 of the Delaware Code by inserting “Column 3” after the words “Schedule 1”.

Section 4. Amend § 352 (23) of Title 26 of the Delaware Code by striking “the provisions of this subchapter” inserting “with Schedule 1, Column 3 in § 354 of this title. A SREC includes emission reduction credits and/or allowances encumbered or used by a Generation Unit for compliance with local, state, or federal operating and/or air quality permits associated with the 1 megawatt-hour of electricity.”

Section 5. Amend § 352 of Title 26 of the Delaware Code by adding the following:

“(25) “Distributed Renewable Energy Resources” are the applications of Customer-Sited Generation of the defined technology in § 352(6) above, excluding (6) (i), that displace conventional energy resources that would otherwise be used to provide electricity to Delaware customers. Applications of Distributed Renewable Energy Resources are limited to a capacity of 10MW or less, except for § 352(6) (b) which are limited to a capacity of 1.5MW or less.

(26) "Distributed Alternative Compliance Payment" means a payment of a certain dollar amount per megawatt-hour, which a retail electricity supplier or municipal electric supplier may submit in lieu of supplying the minimum percentage from Distributed Renewable Energy Resources required under Schedule I, Column 2 in § 354 of this title.

(27) "Distributed Renewable Energy Credit" ("DREC") means a tradable instrument that is equal to 1 megawatt-hour of retail electricity sales in the State that is derived from Distributed Renewable Energy Resources and that is used to

track and verify compliance with Schedule 1, Column 2 in § 354 of this title. A DREC includes emission reduction credits and/or allowances encumbered or used by a Generation Unit for compliance with local, state, or federal operating and/or air quality permits associated with the 1 megawatt-hour of electricity."

Section 6. Amend § 354(a) of Title 26 of the Delaware Code by striking Schedule I, where it appears after the words "solar photovoltaics as follows:" and replacing it with the following:

SCHEDULE I			
Compliance Year (beginning June 1st)	**Column 1** **Minimum Cumulative Percentage from Eligible Energy Resources**	**Column 2** **Minimum Cumulative Percentage in Column 1 from Distributed Renewable Energy Resources**	**Column 3** **Minimum Cumulative Percentage in Column 2 from Solar Photovoltaics***
2009	4.00%	-	0.014%
2010	5.50%	-	0.018%
2011	7.00%	0.50%	0.048%
2012	8.00%	1.25%	0.099%
2013	9.00%	2.00%	0.201%
2014	10.00%	2.75%	0.354%
2015	12.00%	3.50%	0.559%
2016	14.00%	4.25%	0.803%
2017	16.00%	5.00%	1.112%
2018	18.00%	5.75%	1.547%
2019	20.00%	6.50%	2.005%
2020	22.50%	7.25%	-
2021	25.00%	8.00%	-
2022	27.50%	9.00%	-
2023	30.00%	10.00%	-
*Minimum Cumulative Percentage from Solar Photovoltaics may be applied to meet Minimum Cumulative Percentage from Distributed Renewable Energy Resources requirement. **Minimum Cumulative Percentage from Distributed Renewable Energy Resources may be applied to meet Minimum Cumulative Percentage from Eligible Energy Resources requirement.			

Section 7. Amend § 354(c) and (d) of Title 26 of the Delaware Code by striking the figure "20%" as it appears therein and substituting in lieu thereof the figure "30%".

Section 8: Amend § 354(a) of Title 26 of the Delaware Code by inserting "and DREC," after the word "REC" and before the word "prices".

Section 9: Amend § 358(a) of Title 26 of the Delaware Code by inserting ", DREC, and SREC" after the word "REC" and before the word "shall".

Section 10. Amend § 358 of Title 26 of the Delaware Code by inserting a new part (g) as follows:

"(g) In lieu of standard means of compliance with this subchapter, any Retail Electricity Supplier may pay into the Fund an Alternative Compliance Payment for the Distributed Renewable Energy Resources requirement in Schedule I, Column 2. The Alternative Compliance Payment for Distributed Renewable Energy Resources for each megawatt-hour deficiency between the credits available and used by a Retail Electricity Supplier in a given compliance year and the credits necessary for such Retail Electricity Supplier to meet the year's Distributed Renewable Energy Resources requirement shall be calculated as 50% of the Solar Alternative Compliance Payment plus 50% of the Alternative Compliance Payment, as specified in this section."

SYNOPSIS

This act will amend existing law by increasing the required minimum percentage of renewable energy supply to Delaware customers, such as solar, wind, geothermal, and hydroelectric power. The act achieves this goal by setting a minimum percentage of energy that must come from renewable resources at 30% by 2023. The act also creates a Distributed Renewable Energy carve out of 10% by 2023.

Author: Senator McDowell