



COUNCIL OF THE DISTRICT OF COLUMBIA
1350 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20004

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July 14, 2022

Nyasha Smith, Secretary
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

Dear Secretary Smith,

Today, I, along with Councilmembers Allen, Bonds, Gray, Henderson, Lewis George, Nadeau, and Pinto, am introducing the “Local Solar Expansion Amendment Act of 2022.” Please find enclosed a signed copy of the legislation.

The development of local renewable energy resources is a key part of the District’s long-term plans to reduce our contributions to climate change. It also allows us to create a more resilient electrical grid that can withstand the effects of increased demand, particularly as we electrify our buildings and our transportation system. Within the District, solar photovoltaic systems comprise the vast majority of local renewable energy generation. And solar has been expanding rapidly in the District. In each of the last two years, our solar capacity increased by over 40 percent.

This increase is, undoubtedly, due in no small part to the incentive programs the Council and our partners in the executive branch have set up to encourage solar adoption. In particular, two provisions—the local solar carveout in the renewable portfolio standards (RPS) law, and the penalty established in the law for failure to meet the standards—have provided a strong incentive for developers and homeowners to install solar facilities. Thanks in large part to these incentives, the District produced enough solar energy to meet the local solar carveout for the first time in 2021.

This is arguably a fine place to stand pat and hope that residents continue to install solar and keep us on pace with the solar carveout. However, there are very good reasons to be more aggressive. Just this week, the Council passed the Climate Commitment Amendment Act, which accelerates the District’s target dates for reducing our greenhouse gas emissions to net-zero—reflecting the growing scientific consensus that governments around the world are still not doing enough to mitigate climate change. Meeting the new emissions reduction targets requires us to take

more actions than we have so far to increase the supply of renewable energy to our electric grid.

That is where this legislation comes in. The legislation would do two things. First, it would raise the local solar carveout in the RPS standards from the current 10 percent standard (by 2041) to 15 percent. Second, it would eliminate a phasedown of the Alternative Compliance Payment (ACP) in the RPS law. (Electricity suppliers subject to the RPS standards have a choice of satisfying the standard by purchasing local solar renewable energy credits (SRECs) or by paying the ACP as a penalty.) The ACP is currently set at 50 cents per kilowatt-hour shortfall in suppliers' local solar portfolio, but it is set to drop to 40 cents in 2024. If that happens, it would deter further investment in solar facilities, because it would make it cheaper for electricity suppliers to simply pay the penalty rather than purchasing SRECs—making SRECs less valuable and reducing District residents' incentive to adopt solar.

We cannot take for granted that local solar will continue to grow at the rate it has been without policies encouraging it. These two changes will ensure that District residents continue to have the right incentives to install solar systems and increase our local renewable energy supply while improving the resilience of our electric grid.

Should you have any questions about this legislation, please contact my Legislative Director, Michael Porcello, at mporcello@dccouncil.us or (202) 724-8062.

Thank you.

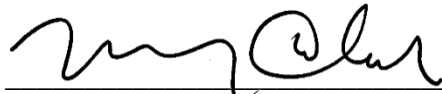
Best,

A handwritten signature in black ink, appearing to read 'Mary M. Cheh', written in a cursive style.

Mary M. Cheh

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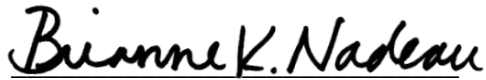
2 Councilmember Charles Allen



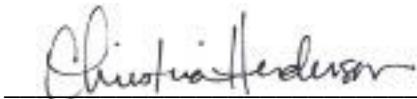
Councilmember Mary M. Cheh

4 

6 Councilmember Janeese Lewis George




Councilmember Brianne K. Nadeau

8 

10 Councilmember Christina Henderson



Councilmember Brooke Pinto

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14 Councilmember Vincent C. Gray



Councilmember Anita Bonds

17 A BILL

19 _____
20 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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22 _____
23
24
25 To amend the Renewable Energy Portfolio Standard Act of 2004 to increase the renewable
26 portfolio standard for local solar from 10% to 15% by 2041, and to eliminate the
27 phaseout of the alternative compliance payment for local solar.

28
29 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
30 act may be cited as the “Local Solar Expansion Amendment Act of 2022”.

31 Sec. 2. The Renewable Energy Portfolio Standard Act of 2004, effective April 12, 2005
32 (D.C. Law 15-340; D.C. Official Code § 34-1431 *et seq.*), is amended as follows:

33 (a)(1) Section 4(c) (D.C. Official Code § 34-1432(c)) is amended as follows:

34 (A) Paragraph (13) is amended by striking the phrase “2.85% from solar
35 energy” and inserting the phrase “3.0% from solar energy” in its place;

36 (B) Paragraph (14) is amended by striking the phrase “3.15% from solar
37 energy” and inserting the phrase “3.65% from solar energy” in its place;

38 (C) Paragraph (15) is amended by striking the phrase “3.45% from solar
39 energy” and inserting the phrase “4.3% from solar energy” in its place;

40 (D) Paragraph (16) is amended by striking the phrase “3.75% from solar
41 energy” and inserting the phrase “5.0% from solar energy” in its place;

42 (E) Paragraph (17) is amended by striking the phrase “4.1% from solar
43 energy” and inserting the phrase “5.65% from solar energy” in its place;

44 (F) Paragraph (18) is amended by striking the phrase “4.5% from solar
45 energy” and inserting the phrase “6.3% from solar energy” in its place;

46 (G) Paragraph (19) is amended by striking the phrase “4.75% from solar
47 energy” and inserting the phrase “7.0% from solar energy” in its place;

48 (H) Paragraph (20) is amended by striking the phrase “5.0% from solar
49 energy” and inserting the phrase “7.65% from solar energy” in its place;

50 (I) Paragraph (21) is amended by striking the phrase “5.25% from solar
51 energy” and inserting the phrase “8.3% from solar energy” in its place;

52 (J) Paragraph (22) is amended by striking the phrase “5.5% from solar
53 energy” and inserting the phrase “9.0% from solar energy” in its place;

54 (K) Paragraph (23) is amended by striking the phrase “6.0% from solar
55 energy” and inserting the phrase “9.65% from solar energy” in its place;

56 (L) Paragraph (24) is amended by striking the phrase “6.5% from solar
57 energy” and inserting the phrase “10.3% from solar energy” in its place;

58 (M) Paragraph (25) is amended by striking the phrase “7.0% from solar
59 energy” and inserting the phrase “11.0% from solar energy” in its place;

60 (N) Paragraph (26) is amended by striking the phrase “7.5% from solar
61 energy” and inserting the phrase “11.65% from solar energy” in its place;

62 (O) Paragraph (27) is amended by striking the phrase “8.0% from solar
63 energy” and inserting the phrase “12.3% from solar energy” in its place;

64 (P) Paragraph (28) is amended by striking the phrase “8.5% from solar
65 energy” and inserting the phrase “13.0% from solar energy” in its place;

66 (Q) Paragraph (29) is amended by striking the phrase “3.15% from solar
67 energy” and inserting the phrase “13.65% from solar energy” in its place;

68 (R) Paragraph (30) is amended by striking the phrase “9.5% from solar
69 energy” and inserting the phrase “14.3% from solar energy” in its place; and

70 (S) Paragraph (31) is amended by striking the phrase “10.0% from solar
71 energy” and inserting the phrase “15.0% from solar energy” in its place.

72 (2) For 3 years after the effective date of this act, this subsection shall not apply to
73 any contract entered into before the effective date of this act; provided, that this subsection shall
74 apply to an extension or renewal of such a contract.

75 (b) Section 6(c)(3) (D.C. Official Code § 34-1434(c)(3)) is amended to read as follows:

76 “(3) Fifty cents in 2016 and thereafter for each kilowatt-hour of shortfall from
77 required solar energy sources.”

78 Sec. 3. Fiscal impact statement.

79 The Council adopts the fiscal impact statement in the committee report as the
80 fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975,
81 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

82 Sec. 5. Effective date.

83 This act shall take effect following approval by the Mayor (or in the event of veto by
84 the Mayor, action by the Council to override the veto), a 30-day period of congressional review
85 as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
86 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
87 Columbia Register.