

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

HOUSE BILL

No. 100 Session of  
2013

---

INTRODUCED BY VITALI, HANNA, FRANKEL, STURLA, BRADFORD, BRIGGS,  
V. BROWN, BROWNLEE, CARROLL, COHEN, D. COSTA, M. DALEY,  
DAVIS, FREEMAN, HAGGERTY, MCCARTER, MCGEEHAN, MICOZZIE,  
MOLCHANY, MUNDY, MURT, O'BRIEN, PAINTER, ROEBUCK, SABATINA  
AND SANTARSIERO, FEBRUARY 25, 2013

---

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,  
FEBRUARY 25, 2013

---

AN ACT

1 Amending the act of November 30, 2004 (P.L.1672, No.213),  
2 entitled, "An act providing for the sale of electric energy  
3 generated from renewable and environmentally beneficial  
4 sources, for the acquisition of electric energy generated  
5 from renewable and environmentally beneficial sources by  
6 electric distribution and supply companies and for the powers  
7 and duties of the Pennsylvania Public Utility Commission,"  
8 further providing for alternative energy portfolio standards  
9 and for portfolio requirements in other states.

10 The General Assembly of the Commonwealth of Pennsylvania  
11 hereby enacts as follows:

12 Section 1. Sections 3(b) and (f) and 4 of the act of  
13 November 30, 2004 (P.L.1672, No.213), known as the Alternative  
14 Energy Portfolio Standards Act, amended July 17, 2007 (P.L.114,  
15 No.35), are amended to read:

16 Section 3. Alternative energy portfolio standards.

17 \* \* \*

18 (b) Tier I and solar photovoltaic shares.--

19 (1) Two years after the effective date of this act, at

1 least 1.5% of the electric energy sold by an electric  
2 distribution company or electric generation supplier to  
3 retail electric customers in this Commonwealth shall be  
4 generated from Tier I alternative energy sources. [Except as  
5 provided in this section, the minimum percentage of electric  
6 energy required to be sold to retail electric customers from  
7 alternative energy sources shall increase to 2% three years  
8 after the effective date of this act. The minimum percentage  
9 of electric energy required to be sold to retail electric  
10 customers from alternative energy sources shall increase by  
11 at least 0.5% each year so that at least 8% of the electric  
12 energy sold by an electric distribution company or electric  
13 generation supplier to retail electric customers in that  
14 certificated territory in the 15th year after the effective  
15 date of this subsection is sold from Tier I alternative  
16 energy resources.] The minimum percentage of electric energy  
17 required to be sold to retail electric customers from  
18 alternative energy sources shall be:

- 19 (i) 4.5% for June 1, 2013, through May 31, 2014.  
20 (ii) 5% for June 1, 2014, through May 31, 2015.  
21 (iii) 5.5% for June 1, 2015, through May 31, 2016.  
22 (iv) 6% for June 1, 2016, through May 31, 2017.  
23 (v) 7.5% for June 1, 2017, through May 31, 2018.  
24 (vi) 9% for June 1, 2018, through May 31, 2019.  
25 (vii) 10.5% for June 1, 2019, through May 31, 2020.  
26 (viii) 12% for June 1, 2020, through May 31, 2021.  
27 (ix) 13.5% for June 1, 2021, through May 31, 2022.  
28 (x) 15% for June 1, 2022, and thereafter.

29 (2) The total percentage of the electric energy sold by  
30 an electric distribution company or electric generation

1 supplier to retail electric customers in this Commonwealth  
2 that must be sold from solar photovoltaic technologies is:

3 (i) 0.0013% for June 1, 2006, through May 31, 2007.

4 (ii) 0.0030% for June 1, 2007, through May 31, 2008.

5 (iii) 0.0063% for June 1, 2008, through May 31,  
6 2009.

7 (iv) 0.0120% for June 1, 2009, through May 31, 2010.

8 (v) 0.0203% for June 1, 2010, through May 31, 2011.

9 (vi) 0.0325% for June 1, 2011, through May 31, 2012.

10 (vii) 0.0510% for June 1, 2012, through May 31,  
11 2013.

12 (viii) [0.0840%] 0.1959% for June 1, 2013, through  
13 May 31, 2014.

14 (ix) [0.1440%] 0.3408% for June 1, 2014, through May  
15 31, 2015.

16 (x) [0.2500%] 0.4857% for June 1, 2015, through May  
17 31, 2016.

18 (xi) [0.2933%] 0.6306% for June 1, 2016, through May  
19 31, 2017.

20 (xii) [0.3400%] 0.7755% for June 1, 2017, through  
21 May 31, 2018.

22 (xiii) [0.3900%] 0.9204% for June 1, 2018, through  
23 May 31, 2019.

24 (xiv) [0.4433%] 1.0653% for June 1, 2019, through  
25 May 31, 2020.

26 (xv) [0.5000%] 1.2102% for June 1, 2020, [and  
27 thereafter] through June 1, 2021.

28 (xvi) 1.3551% for June 1, 2021, through May 31,  
29 2022.

30 (xvii) 1.5000% for June 1, 2022, and thereafter.

1           (3) Upon commencement of the beginning of the 6th  
2 reporting year, the commission shall undertake a review of  
3 the compliance by electric distribution companies and  
4 electric generation suppliers with the requirements of this  
5 act. The review shall also include the status of alternative  
6 energy technologies within this Commonwealth and the capacity  
7 to add additional alternative energy resources. The  
8 commission shall use the results of this review to recommend  
9 to the General Assembly additional compliance goals beyond  
10 year 15. The commission shall work with the department in  
11 evaluating the future alternative energy resource potential.

12 \* \* \*

13 (f) Alternative compliance payment.--

14           (1) At the end of each program year, the program  
15 administrator shall provide a report to the commission and to  
16 each covered electric distribution company showing their  
17 status level of alternative energy acquisition.

18           (2) The commission shall conduct a review of each  
19 determination made under subsections (b) and (c). If, after  
20 notice and hearing, the commission determines that an  
21 electric distribution company or electric generation supplier  
22 has failed to comply with subsections (b) and (c), the  
23 commission shall impose an alternative compliance payment on  
24 that company or supplier.

25           (3) The alternative compliance payment, with the  
26 exception of the solar photovoltaic share compliance  
27 requirement set forth in subsection (b)(2), shall be \$45  
28 times the number of additional alternative energy credits  
29 needed in order to comply with subsection (b) or (c).

30           (4) The alternative compliance payment for the solar

1 photovoltaic share shall be [200% of the average market value  
2 of solar renewable energy credits sold during the reporting  
3 period within the service region of the regional transmission  
4 organization, including, where applicable, the levelized up-  
5 front rebates received by sellers of solar renewable energy  
6 credits in other jurisdictions in the PJM Interconnection,  
7 L.L.C. transmission organization (PJM) or its successor.] as  
8 follows:

9 (i) For June 1, 2013, through May 31, 2014, \$250 per  
10 megawatt hour.

11 (ii) For June 1, 2014, through May 31, 2015, \$225  
12 per megawatt hour.

13 (iii) For June 1, 2015, through May 31, 2016, \$200  
14 per megawatt hour.

15 (iv) For June 1, 2016, through May 31, 2017, \$175  
16 per megawatt hour.

17 (v) For June 1, 2017, through May 31, 2018, \$150 per  
18 megawatt hour.

19 (vi) For June 1, 2018, through May 31, 2019, \$125  
20 per megawatt hour.

21 (vii) For June 1, 2019, through May 31, 2020, \$100  
22 per megawatt hour.

23 (viii) For June 1, 2020, through May 31, 2021, \$75  
24 per megawatt hour.

25 (ix) For June 1, 2021 and thereafter, \$50 per  
26 megawatt hour.

27 (5) The commission shall establish a process to provide  
28 for, at least annually, a review of the alternative energy  
29 market within this Commonwealth and the service territories  
30 of the regional transmission organizations that manage the

1 transmission system in any part of this Commonwealth. The  
2 commission will use the results of this study to identify any  
3 needed changes to the cost associated with the alternative  
4 compliance payment program. If the commission finds that the  
5 costs associated with the alternative compliance payment  
6 program must be changed, the commission shall present these  
7 findings to the General Assembly for legislative enactment.

8 \* \* \*

9 Section 4. Portfolio requirements in other states.

10 (a) Requirements.--If an electric distribution supplier or  
11 electric generation company provider sells electricity in any  
12 other state and is subject to renewable energy portfolio  
13 requirements in that state, they shall list any such requirement  
14 and shall indicate how it satisfied those renewable energy  
15 portfolio requirements. To prevent double-counting, the electric  
16 distribution supplier or electric generation company shall not  
17 satisfy Pennsylvania's alternative energy portfolio requirements  
18 using alternative energy used to satisfy another state's  
19 portfolio requirements or alternative energy credits already  
20 purchased by individuals, businesses or government bodies that  
21 do not have a compliance obligation under this act unless the  
22 individual, business or government body sells those credits to  
23 the electric distribution company or electric generation  
24 supplier. Energy derived from alternative energy sources inside  
25 the geographical boundaries of this Commonwealth shall be  
26 eligible to meet the compliance requirements under this act.  
27 Energy derived from alternative energy sources located outside  
28 the geographical boundaries of this Commonwealth but within the  
29 service territory of a regional transmission organization that  
30 manages the transmission system in any part of this Commonwealth

1 shall only be eligible to meet the compliance requirements of  
2 electric distribution companies or electric generation suppliers  
3 located within the service territory of the same regional  
4 transmission organization. For purposes of compliance with this  
5 act, alternative energy sources located in the PJM  
6 Interconnection, L.L.C. regional transmission organization (PJM)  
7 or its successor service territory shall be eligible to fulfill  
8 compliance obligations of all Pennsylvania electric distribution  
9 companies and electric generation suppliers. Energy derived from  
10 alternative energy sources located outside the service territory  
11 of a regional transmission organization that manages the  
12 transmission system in any part of this Commonwealth shall not  
13 be eligible to meet the compliance requirements of this act.  
14 Electric distribution companies and electric generation  
15 suppliers shall document that this energy was not used to  
16 satisfy another state's renewable energy portfolio standards.

17 (b) Solar photovoltaic technology.--To meet the requirements  
18 of this section, all solar photovoltaic technology registered  
19 after the effective date of this subsection shall directly  
20 deliver the electricity it generates to the distribution system  
21 operated by an electric distribution company operating within  
22 this Commonwealth and currently obligated to meet the compliance  
23 requirements contained in this act.

24 Section 2. The following provisions shall apply to contracts  
25 for the purchase of solar alternative energy entered into after  
26 May 31, 2013, by entities with a solar alternative energy  
27 portfolio standard compliance obligation:

- 28 (1) The amendment of section 3(b) and (f) of the act.  
29 (2) The amendment of section 4 of the act.

30 Section 3. This act shall take effect in 60 days.