



## ***MSEIA SOLAR REPORT FOR PENNSYLVANIA APRIL 2016 SUMMARY***

### **Strategic Highlights**

**New Jersey Senate bill introduced to ensure customers are not restricted from solar installations.** Senate Bill [S2029](#) was introduced on April 18 as a companion bill to previously filed Assembly Bill [A210](#). The bills would ensure that potential customers are not restricted from solar panel installation by homeowners' associations. The bills make clear that homeowners' associations in common interest communities cannot prohibit the installation of solar collectors on the roof of any single family home or any townhouse located within such a community. Senate Bill S2029 awaits a committee hearing...

**New Jersey Senate schedules hearing on financing mechanism for clean energy projects.** Senate Bill [S684](#) which would establish the Clean Energy Technology Center and Alternative and Clean Energy Investment Trust Fund to issue loans and loan guarantees to companies, universities, and nonprofits to encourage the creation of clean technology ventures, including solar development, is scheduled for a Senate Environment and Energy Committee hearing on May 2...

**Pennsylvania Senate bill would grant General Assembly additional time to review Federal Clean Power Plan.** Senate Bill [S1195](#), introduced on April 8, would extend the amount of time the General Assembly would have to review Pennsylvania's compliance plan for the Federal Clean Power Plan. Review and approval of the plan would be extended from 100 to 180 days before submission to the Environmental Protection Agency (EPA), which is slated for September 2016. The bill was reported favorably by the Senate Environmental Resources and Energy Committee and is scheduled for a Senate floor vote...

**Navy plans ambitious 227-acre solar facility at the New Jersey Naval Weapons Station Earle.** The U.S. Navy intends to build a 32.8-MW solar facility at Naval Weapons Station Earle spanning 227 acres. The Navy plans to lease the properties to a utility company or a private developer that would construct and operate the facility, according to a [fact sheet](#) posted on the weapon station's website. See the fact sheet for more information...

**SolarCity launches solar service in Western Pennsylvania.** SolarCity [announced](#) on April 11 that it will begin operations in Western Pennsylvania with a residential solar project with no upfront cost. Solar City's product will cost \$30 per month, with design, installation, financing, insurance, monitoring and a performance guarantee included in the offers...

GENERAL POLICY				
Reference No.	Description	Why It Matters	Most Recent Action	Next Action

PAPUC PROCEEDINGS				
Reference No.	Description	Why It Matters	Most Recent Action	Next Action
PAPUC Docket No. <a href="#">M-2016-2540438</a>  <i>Opened on 4/18/16.</i>	Met-Ed filed its annual Solar Photovoltaic Requirements Charge reconciliation statement for the period ended 3/31/16.  The company uses this type of charge to recover incremental costs associated with meeting applicable solar PV requirements.	Intelligence on utility's revenue and expenses on meeting solar PV requirements.	Met-Ed filed its annual reconciliation ( <a href="#">4/18/16</a> ).	Awaiting PAPUC action.
PAPUC Docket No. <a href="#">M-2016-2540445</a>  <i>Opened on 4/18/16.</i>	PECO filed its annual Solar Photovoltaic Requirements Charge reconciliation statement for the period ended 3/31/16.  The company uses this type of charge to recover incremental costs associated with meeting applicable solar PV requirements.	Intelligence on utility's revenue and expenses on meeting solar PV requirements.	PECO filed its annual reconciliation ( <a href="#">4/18/16</a> ).	Awaiting PAPUC action.



PAPUC PROCEEDINGS				
Reference No.	Description	Why It Matters	Most Recent Action	Next Action
PAPUC Docket No. <a href="#">M-2016-2540450</a>  <i>Opened on 4/18/16.</i>	Penn Power filed its annual Solar Photovoltaic Requirements Charge reconciliation statement for the period ended 3/31/16.  The company uses this type of charge to recover incremental costs associated with meeting applicable solar PV requirements.	Intelligence on utility’s revenue and expenses on meeting solar PV requirements.	Penn Power filed its annual reconciliation ( <a href="#">4/18/16</a> ).	Awaiting PAPUC action.



PAPUC PROCEEDINGS				
Reference No.	Description	Why It Matters	Most Recent Action	Next Action
<p>PAPUC Docket No. <a href="#">L-2014-2404361</a></p> <p><i>Opened on 2/6/14.</i></p> <p>IRRC Docket No. <a href="#">3061</a></p> <p><i>Opened on 6/23/14.</i></p>	<p>Proceeding to revise the Alternative Energy Portfolio Standards (AEPS) Act regulations including:</p> <ul style="list-style-type: none"> <li>An increase in the proposed system design limit of a new customer-generator, from 110 percent to 200 percent of historical (or estimated, for new construction) annual consumption;</li> <li>A revised definition of “customer-generator” and an added definition of “utility” to clarify that the definition applies to electric utilities, suppliers and merchant generators – and that non-electric utilities are excluded from the ban of utilities qualifying as a customer-generator;</li> <li>A shortened response time for a net metering applicant to receive a determination from the PUC;</li> <li>A revised definition of “alternative energy sources” to reflect the amendments to the definition for “low-impact hydropower” and “biomass facilities” from Act 129; and</li> </ul> <p>Added definitions for “grid emergencies” and “microgrid.”</p>	<p>Changes to renewable portfolio standard.</p>	<p>Final rulemaking order issued (<a href="#">2/11/16</a>). Among other things, the rulemaking addresses: <b>(1)</b> the addition of definitions for aggregator, default service provider, grid emergencies, microgrids and moving water impoundments; <b>(2)</b> revisions to net metering rules and inclusion of a process for obtaining PAPUC approval to net meter alternative energy systems with a nameplate capacity of 500 kW or greater; <b>(3)</b> clarification of the virtual meter aggregation language; and <b>(4)</b> clarification of net metering compensation for customer-generators receiving generation service from electric utilities, default service providers and electric generation suppliers.</p>	<p>The revisions adopted by the PAPUC will now be submitted for review to the Office of Attorney General, the Governor’s Budget Office, designated committees of both houses of the General Assembly and the Independent Regulatory Review Commission. Following those reviews, the final rulemaking order will become effective upon publication in the <i>Pennsylvania Bulletin</i>.</p> <p>The IRRC is set to review the regulation at its <a href="#">5/19/16</a> meeting.</p>



LEGISLATION Reference No.	Description	Why It Matters	Most Recent Action	Next Action
Senate Bill <a href="#">S1195 (White)</a>  <i>Opened on 4/8/2016.</i>	Would extend the amount of time the General Assembly would have to review Pennsylvania’s compliance plan for the Federal Clean Power Plan. Review and approval of the plan would be extended from 100 to 180 days before submission to the Environmental Protection Agency (EPA), which is slated for 9/16.	Would grant the General Assembly additional time to review the highly controversial plan.	Reported favorably by Senate Environmental Resources and Energy (4/12/16).	Awaiting Senate floor vote.
Senate Bill <a href="#">SB1069</a> (13 sponsors)  <i>Opened on 1/28/2016.</i>	Would allow municipalities to make loans to commercial and industrial real estate owners to retrofit their property with energy-efficient technology. The loan would then be repaid as an assessment on their property taxes with the tenure of a mortgage (i.e., PACE financing).	PACE financing can provide opportunities for commercial and industrial renewable energy projects.	Introduced and referred to the Senate Community, Economic and Recreational Development Committee (1/28/16).	Awaiting scheduling of a committee hearing.



LEGISLATION Reference No.	Description	Why It Matters	Most Recent Action	Next Action
Senate Bill <a href="#">SB 743</a> ( <a href="#">Leach</a> )  <i>Introduced on 4/16/15.</i>	<p>Would amend the Alternative Energy Portfolio Standards Act, further providing for alternative energy portfolio standards and for portfolio requirements in other states.</p> <p>The minimum percentage of electric energy required to be sold to retail electric customers from alternative energy sources would be:</p> <p>(i) 4.5% for 6/1/14 through 5/31/15. (ii) 5% for 6/1/15 through 5/31/16 (iii) 5.5% for 6/1/16 through 5/31/17 (iv) 6% for 6/1/17, through 5/31/18 (v) 7.5% for 6/1/18 through 5/31/19 (vi) 9% for 6/1/19, through 5/31/20. (vii) 10.5% for 6/1/20, through 5/31/21. (viii) 12% for 6/1/21 through 5/31/22 (ix) 13.5% for 6/1/22 through 5/31/23. (x) 15% for 6/1/23 and thereafter.</p>	<p>Seeks to make modifications to the minimum percentage of electric energy to be sold from alternative sources.</p>	<p>Introduced and referred to the Senate Environmental Resources and Energy Committee (4/16/15).</p>	<p>Awaiting scheduling of committee hearing.</p>



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House Bill <a href="#">HB1363</a> ( <a href="#">DiGirolamo</a> )  <i>Introduced on 6/29/15.</i>	Creates a 3.2% drilling tax on unconventional natural gas extraction. The legislation also directs the distribution of the proceeds.  Three and five-tenths percent of the proceeds will be distributed to the Department of Environmental Protection for making low-interest loans to support the development of solar energy.	Financial incentives via low-interest loans to support solar development.	Introduced and referred to the Energy and Environmental Resources Committee (6/29/15.).	Awaiting scheduling of a committee hearing.
House Bill <a href="#">HB 396</a> ( <a href="#">Reese</a> )  <i>Introduced on 2/9/15.</i>  (This bill is a combination of <a href="#">HB 394</a> ( <a href="#">Reese</a> ) & <a href="#">HB 395</a> ( <a href="#">Reese</a> ))	Distribution companies would provide an avenue for customers to “opt-out” of using a smart meter. Additionally, such customers who opt-out would be charged a one time and/or monthly fee for doing so by the PAPUC. The bill also adds that customer consent to release customer meter data to third parties and government agencies under certain circumstances.	Would impact smart meter deployment.	HB 395 passed the House (2/9/16).  HB 395 was introduced into the Senate and referred to the Senate Consumer Protection and Professional Licensure Committee (2/12/16).	Awaiting scheduling of a Senate committee hearing.



LEGISLATION Reference No.	Description	Why It Matters	Most Recent Action	Next Action
<p>House Bill <a href="#">HB 200 (Vitali)</a></p> <p><i>Opened on 2/23/2015.</i></p>	<p>This bill would provide a dedicated funding source for the Pennsylvania Sunshine Solar Program. This program provided residential homeowners, small business and non-profits who install solar systems a rebate of up to 10% of the cost of the system. This extremely popular program was created in 2008 and funded with a \$100 million bond. It ran out of funds at the end of 2013.</p> <p>This legislation would increase the Gross Receipts Tax on utility companies by 1.25 mills, from 59 to 60.25, and provide the increased funding to the Sunshine Solar Program. This additional funding is expected to yield about \$25 million annually.</p>	<p>This bill further encourages consumers to purchase and install solar panels via financial incentives.</p>	<p>HB 200 was introduced and referred to the Consumer Affairs Committee (2/23/15).</p>	<p>Awaiting scheduling of a committee hearing.</p>





LEGISLATION Reference No.	Description	Why It Matters	Most Recent Action	Next Action
<p>House Bill <a href="#">HB 100 (Vitali)</a></p> <p><i>Introduced on 2/23/15.</i></p>	<p>This bill amends the Alternative Energy Portfolio Standards Act.</p> <p>The minimum percentage of electric energy required to be sold to retail electric customers from alternative energy sources shall be:</p> <p>(i) 4.5% for 6/1/14 through 5/31/15. (ii) 5% for 6/1/15 through 5/31/16 (iii) 5.5% for 6/1/16 through 5/31/17 (iv) 6% for 6/1/17, through 5/31/18 (v) 7.5% for 6/1/18 through 5/31/19 (vi) 9% for 6/1/19, through 5/31/20. (vii) 10.5% for 6/1/20, through 5/31/21. (viii) 12% for 6/1/21 through 5/31/22 (ix) 13.5% for 6/1/22 through 5/31/23. (x) 15% for 6/1/23 and thereafter.</p>	<p>Increases the load of renewable electricity sold to utilities and retail suppliers. Involves retail supplier benchmarks regarding percentage of alternative energy sources sold by suppliers.</p>	<p>HB 100 was introduced and referred to the House Committee on Consumer Affairs (2/23/15).</p>	<p>Awaiting committee action.</p>



LEGISLATION				
Reference No.	Description	Why It Matters	Most Recent Action	Next Action
Senate Bill <a href="#">SB459 (Rafferty)</a>  <i>Introduced on 2/12/15.</i>	This bill will provide a sales and use tax exemption for the purchase or use of a solar energy system. A “solar energy system” means the equipment and hardware that utilize solar energy for water heating, space heating, cooling or other applications.	Increases market adoption of solar energy systems.	Introduced and referred to the Finance Committee (2/12/15).	Awaiting scheduling of a committee hearing.



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