



Senate Environmental Resources and Energy Committee

Senator Mary Jo White
Chairman

Patrick Henderson, Executive Director

Room 168 • State Capitol Building
Mailing address: Senate Box 203021 • Harrisburg, PA 17120-3021
Phone: 717-787-9684 • FAX: 717-787-6088

Summary HB 1203, P.N. 2343

Bill Sponsor: Representative Hornaman

Amends the Alternative Energy Portfolio Standards Act (Act 213-2004)

- Amends definition of “force majeure”. Force majeure permits the PUC to modify the alternative energy obligations of an electric distribution company or electric generation supplier if the PUC determines alternative energy resources are not reasonably available in sufficient quantities in the marketplace.

Under the amended definition, the PUC:

- Must consider whether EDCs and EGSs have made a good faith effort to comply by banking alternative energy credits during transition period, seeking credits through competitive solicitations and seeking credits or alternative energy through long-term contracts.
 - Must assess the availability of alternative energy credits in the Generation Attributes Tracking System (GATS), within Pennsylvania or within the PJM Interconnection transmission organization.
 - May require solicitations for alternative energy credits as part of default service before accepting requests for force majeure.
 - May only modify the compliance obligation for a specific compliance period.
 - May further modify obligation to require electric distribution companies or suppliers to purchase additional alternative energy credits in subsequent years to compensate for the reduced obligation under a prior force majeure determination.
- Amends definition of “customer-generator” to increase thresholds.

- Amends solar photovoltaic share requirement to specify the accompanying percentage obligation by year. States that solar photovoltaic share shall apply to total percentage of electric energy sold by an electric distribution company or electric distribution supplier.
- Adds “solar thermal” energy to Tier I alternative energy sources.
- Requires inclusion of the levelized, up-front rebates received by sellers of solar renewable energy credits in other jurisdictions in the PJM Interconnection transmission organization when calculating the average market value of solar renewable energy credits for purposes of assessing alternative compliance payments.
- States that alternative energy credits shall belong to the owner of the alternative energy system or customer-generator unless a contractual provision explicitly says otherwise. Notwithstanding the addition of this provision, nothing in the Alternative Energy Portfolio Standards Act is intended to reverse or modify the PUC’s order docket number P-00052149 (relating to ownership of alternative energy credits under contracts executed prior to passage of AEPS statute).
- States that alternative energy credits shall remain the property of the alternative energy system until the alternative energy credit is voluntarily transferred by the system.
- Clarifies that alternative energy credits already purchased by an individual, business or government entity that does not have a compliance obligation under the act may not be used by an EDC or EGS to meet their compliance obligation unless the EDC or EGS purchases said alternative energy credits.
- Clarifies the geographic boundary limitations for purposes of complying with the Act and prevent “double-counting” by EDCs and EGSs that must comply with renewable energy portfolio requirements in other states.
- Clarifies that customer-generators engaged in net metering shall receive full retail value for all energy produced on an annual basis.
- Effective immediately.