

## SAMPLE SOLAR RPS



**Last Revised June 2007**

### **Definitions:**

For the purposes of this section, the following terms shall have the meanings specified:

“Regulated Utility” shall mean *[[the distribution utility as defined in a given jurisdiction; some jurisdictions add clarifying language to clarify that landlords, trailer park operators, and others are not utilities by the meaning of the statute.]]*

“Commission” shall mean *[[the public utilities or public regulatory commission or equivalent in a given jurisdiction]]*

“Customer-Generator” shall mean an electric customer with an eligible solar energy source located at their facility and offsetting some portion of their retail electricity purchases.

“Electricity Sales” shall mean all sales at retail of electricity to end customers.

“Eligible Solar Energy Source” shall mean a customer sited photovoltaic generating system not larger than 2 Megawatts *[[optionally, some standards specify that the source must be connected to the distribution system in the regulating jurisdiction, or use this definition to specify warranty or certification requirements.]]*

“Solar Renewable Energy Credits” shall mean a credit representing one megawatt-hour of electricity derived from an Eligible Solar Energy Source, and all emissions or environmental attributes associated with that megawatt-hour of electricity.

“Fund” shall mean a designated fund [within an already existing agency or funding stream or what have you] to provide rebates to residential solar generators. The Fund shall utilize its total revenues arising from this standard to provide rebates to residential customers.

“Solar Portfolio Standard” shall mean the percentage of electricity sold at retail in *[[jurisdiction]]* that is to be derived from solar renewable sources.

**Requirement:** The Commission shall implement a Solar Portfolio Standard that applies to all retail electricity sales by regulated utilities.

The solar portfolio standard shall be as follows:

In the year 2008, .01% of electricity sales in megawatt-hours;

In the year 2009, .04% of electricity sales.

In the year 2010, .06% of electricity sales.

In the year 2011, .1% of electricity sales.  
In the year 2012, .2% of electricity sales.  
In the year 2013, .3% of electricity sales.  
In the year 2014, .4% of electricity sales.  
In the year 2015, .6% of electricity sales.  
In the year 2016, .1% of electricity sales.  
In the year 2017, 1.5% of electricity sales.  
In the year 2018 and beyond, .2% of electricity sales.

[additional years as necessary]

**Solar Renewable Energy Credits:** The Commission shall establish rules and regulations for the issuance, tracking, and verification of solar renewable energy credits. Such rules and regulations shall accommodate the creation and verification of eligible solar energy sources whose operation date is on or after the date of enactment of these regulations. The Commission shall consider the costs and benefits of using any regional generation tracking systems operated by an ISO as that term is defined by the Federal Energy Regulatory Commission against a separate system designed and implemented for S-RECs in the state. The Commission may contract with a for-profit or not-for-profit entity to assist in the administration of the issuance, tracking, and verification functions required under this section.

**Compliance Reporting:** A regulated utility shall meet the standard by accumulating the equivalent amount of solar renewable energy credits that equal the percentages required under this section for all electricity sold at retail by each Regulated Utility. On or before [[June 1]] of each year, each Regulated Utility shall surrender solar renewable energy credits to the Commission as evidence of compliance with these standards.

Each regulated utility shall submit an annual compliance report to the Commission. Each report must include clear and concise information that demonstrates that the Regulated Utility has complied with the applicable standard of this Act, and includes the submission of the required amount of solar renewable energy credits, demonstrates the amount of electricity sales of Regulated Utility or payment of the Alternative Compliance Payment. The report may also include any other information that the Commission by regulation or order may deem relevant.

**Rate impact limitation:** If the actual dollar-for-dollar costs incurred solely for the purchase of solar renewable energy credits in any one year by a Regulated Utility is greater than or equal to 1% of annual electric sales revenue for any given Regulated Utility, that utility may request that the Commission delay the scheduled increase in portfolio requirements until such time as these costs are again below 1% of annual electric sales revenue. In making such determination, the Commission shall consider verifiable and actual market data and compliance costs from the petitioning Regulated utility in comparison the dollar-for-dollar compliance costs of other regulated utilities and whether other Regulated Utilities were able to comply. [[optional – no cost recovery if other Regulated Utilities comply within the 1% rate impact restriction]].

**Contract Length Requirement:** Where the Regulated Utility purchases renewable energy credits directly from a customer-generator, the duration of the contract term shall be not less than 15 years (or shorter at the sole discretion of the customer-generator,) subject to adequate

production and reporting on the part of the customer-generator. Subject to these provisions, the Commission shall allow a Regulated Utility to make a single advanced payment upon execution of such a contract with a residential rate class customer at a rate determined annually by the Commission to reflect a minimum of 15 years' production, and to claim the Solar Renewable Energy Credits from any such installation for the length of the contract without further requirements for reporting.

**Double – Counting:** Credits used to satisfy another portfolio requirement or to meet any other emissions reduction or voluntary renewables purchase program shall not be eligible for compliance under this standard:

**Alternative Compliance Payments:** If the regulated utility fails to comply with the renewable energy portfolio standard for the applicable year, they shall pay into the Fund the following compliance fees for each megawatt-hour of shortfall:

In the year 2008, \$450  
In the year 2009, \$425  
In the year 2010, \$400  
In the year 2011, \$375  
In the year 2012, \$350  
In the year 2013, \$325  
In the year 2014, \$300  
In the year 2015, \$275  
In the year 2016, \$250  
In the year 2017, \$225  
In the year 2018 and beyond, \$200.

**Credit Banking:** Solar Renewable Energy Credits generated in any year shall be eligible for compliance purposes in any of the two following compliance years.

**Cost Recovery:** The Commission shall allow a regulated utility to recover actual dollar-for-dollar costs prudently incurred. The Commission shall allow a regulated utility to recover alternative compliance fees under section [...] of this Act only where the regulated utility demonstrates there were not sufficient S-RECs available for purchase at lower cost than the ACP.

**Development of Regulations:** The Commission shall adopt such regulations as are necessary to implement the provisions of this Act within 180 days of the effective date of this Act.