

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 889

Short Title: Solar Rebates. (Public)

Sponsors: Representatives Goodwin and Hunter (Primary Sponsors).

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Energy and Public Utilities, if favorable, Rules, Calendar, and Operations of the House

April 22, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE SOLAR REBATE PROGRAM.
3 The General Assembly of North Carolina enacts:

4 SECTION 1. G.S. 62-155(f) reads as rewritten:
5 "§ 62-155. Electric power rates to promote conservation.

6 ...
7 (f) Each electric public utility serving more than 150,000 North Carolina retail
8 jurisdictional customers as of January 1, 2017, shall file with the Commission an application
9 requesting approval of a program offering reasonable incentives to residential and nonresidential
10 customers for the installation of small customer owned or leased solar energy facilities
11 participating in a public utility's net metering tariff, where the incentive shall be limited to 10
12 kilowatts alternating current (kW AC) for residential solar installations and 100 kilowatts
13 alternating current (kW AC) for nonresidential solar installations. Each public utility required to
14 offer the incentive program pursuant to this subsection shall be authorized to recover all
15 reasonable and prudent costs of incentives provided to customers and program administrative
16 costs by amortizing the total program incentives distributed during a calendar year and
17 administrative costs over a 20-year period, including a return component adjusted for income
18 taxes at the utility's overall weighted average cost of capital established in its most recent general
19 rate case, which shall be included in the costs recoverable by the public utility pursuant to
20 G.S. 62-133.8(h). Nothing in this section shall prevent the reasonable and prudent costs of a
21 utility's programs to incentivize customer investment in or leasing of solar energy facilities,
22 including an approved incentive, from being reflected in a utility's rates to be recovered through
23 the annual rider established pursuant to G.S. 62-133.8(h). The program incentive established by
24 each public utility subject to this section shall meet all of the following requirements:

- 25 (1) Shall be limited to 10,000 kilowatts (kW) of installed capacity annually
26 starting in January 1, 2018, and continuing until December 31, 2019, and shall
27 be limited to 20,000 kilowatts (kW) of installed capacity annually starting in
28 January 1, 2020, and continuing until December 31, 2022, and shall provide
29 incentives to participating customers based upon the installed alternating
30 current nameplate capacity of the generators.
31 (2) Nonresidential installations will also be limited to 5,000 kilowatts (kW) in
32 aggregate ~~for each of the years of the program starting in January 1, 2018,~~
33 and continuing until December 31, 2019, and shall be limited to 10,000



- 1 kilowatts (kW) in aggregate starting in January 1, 2020, and continuing until
2 December 31, 2022.
- 3 (3) Two thousand five hundred kilowatts (kW) of the capacity for nonresidential
4 installations shall be set aside for use by nonprofit organizations; 50 kilowatts
5 (kW) of the set aside shall be allocated to the NC Greenpower Solar Schools
6 Pilot or a similar program. Any set-aside rebates that are not used by
7 December 31, 2022, shall be reallocated for use by any customer who
8 otherwise qualifies. For purposes of this section, "nonprofit organization"
9 means an organization or association recognized by the Department of
10 Revenue as tax exempt pursuant to G.S. 105-130.11(a), or any bona fide
11 branch, chapter, or affiliate of that organization.
- 12 (4) If in any year a portion of the incentives goes unsubscribed, the utility may
13 roll excess incentives over into a subsequent year's allocation.
- 14 (5) Rebate amounts shall not exceed:
- 15 a. Thirty cents (30¢) per kilowatt (kW) of installed capacity for
16 residential installations.
- 17 b. Seventy-five cents (75¢) per kilowatt (kW) of installed capacity for
18 nonprofit organization installations.
- 19 c. Twenty-five cents (25¢) per kilowatt (kW) of installed capacity for
20 nonresidential installations that are not owned by nonprofit
21 organizations."

22 **SECTION 2.** This act is effective when it becomes law, except that
23 G.S. 62-155(f)(5), as enacted by Section 1 of this act, becomes effective January 1, 2020.