HOUSE RESEARCH

Bill Summary

File Number: H.F. 1882 **Date:** March 17, 2017
Version: As amended by the author's H1882A1 amendment

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Subject: Renewable energy

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House File 1882, as amended by the A1 amendment, makes three changes in current statutes:

- The bill amends the solar energy standard, which requires that by 2020 1.5 percent of a public utility's retail electricity sales come from solar energy sources, and that ten percent of that amount be provided by solar systems with a capacity of 20 kilowatts or less. The bill would increase the capacity (size) of solar systems that could be applied to that goal to 40 kilowatts for a utility with between 50,000 and 200,000 customers. It also allows such utilities to count toward that goal individual customer subscriptions of 40 kilowatts or less to a community solar garden.
- A technical change is made with respect to integrated resource plans filed by utilities with the Public Utilities Commission. These plans forecast the utility's electricity demand 15 years into the future and analyze how it will be supplied. The bill specifies that the current requirement to include a least cost plan meeting 50 and 75 percent of a utility's capacity needs (based on the maximum amount of electricity a generating unit can provide) through renewables and energy conservation be changed to the utility's energy needs (the amount of energy that is actually used by consumers).
- Current law prohibits the commission from approving a new non-renewable electric generating facility unless a renewable facility is not in the public interest. This bill requires the commission, in making that determination, to consider the impact of the renewable generator on: (1) local and regional grid reliability; (2) costs to the utility arising from the intermittent nature of renewable energy facilities, including the cost of purchasing electricity in wholesale markets when renewable energy is unavailable; and (3) impacts resulting from reduced exposure to fuel price volatility, environmental compliance costs, and other factors.