

*Draft article*

PSC Issues Final Rules on the Community Renewable Energy Amendment Act of 2013

On April 24, 2015, the Public Service Commission of the District of Columbia (PSC) published final rules and regulations, in Order No. 17862 of Formal Case 945, for the implementation of the Community Renewable Energy Amendment Act of 2013 (CREA). The purpose of CREA is to facilitate broad participation in renewable energy among more District residents. Specifically, the statute expands access to renewable energy to more DC consumers such as renters, low-income residents, homeowners with shaded roofs and tenants of apartment buildings. The Office of the People's Counsel (OPC) was actively engaged in both the drafting of the CREA legislation within the Council of the District of Columbia and submission of comments during the rulemaking process before the PSC. OPC is proud to have made a meaningful and lasting contribution to the ongoing progress the District is making to become a more sustainable, liveable and environmentally-responsible city.

The PSC's final rules on CREA provide the technical and regulatory parameters for making CREA a reality for District consumers. Among many other things, the rules establish the definition and terms of compensation – called community net metering – for the renewable energy generated by each participant in a community-shared renewable energy facility, as well as how each participant's excess energy generation will be treated. While the PSC's rule for compensation does not equal the full retail distribution rate applicable to regular net metering customers, the community net metering definition allows for participants to be fully compensated for energy generation and transmission charges at a small commercial rate – an amount higher than the generation rate applied to regular residential net metering customers. OPC deems this definition to be a fair and legally sound approach to community net metering. Further, the rules set forth reasonable limits on the utility's ability to recover costs it may incur in the implementation of community-shared renewable energy facilities. Any costs incurred by the utility will be recovered solely through a rate assessment on participants in community-shared renewable energy facilities and not an assessment on all remaining District ratepayers who do not participate in such facilities. In other words, residents who do not participate in community-shared renewables will not be required to bear the burden of costs that they did not cause.

Additionally, the PSC's final rule was accompanied by a concurring opinion by Commissioner Joanne Doddy Fort. Commissioner Fort provided a comprehensive and informative analysis of the history of net metering in the District of Columbia and regulatory issues we must resolve moving forward. OPC believes Commissioner Fort's concurring opinion raises critical and timely questions that District energy stakeholders need to fully consider if we are to deploy renewable energy resources, such as solar, in a cost-effective, equitable and robust manner. For example, Commissioner Fort questions whether net metering remains fair, just and reasonable and whether net metering, as defined in the District's regulations, continues to be a necessary incentive for the development of solar in the District. These are not easy questions to answer, regardless of where one stands on the issue of net metering. However, Commissioner Fort's concurring opinion illustrates the importance of reviewing the history of renewable energy policy in our city, analyzing where we stand today with respect to the integration of renewable energy into our electricity grid and boldly looking toward the future of clean energy possibilities for the District.

OPC looks forward to continuing an active dialogue with all District of Columbia energy stakeholders about how we can achieve our city's sustainable energy goals in an effective manner and continue the District's role as one of the nation's forerunners of sustainability. To read the PSC's final rule on CREA, click here:

Proposed TWEET:

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