



HOUSE BILL 535: Solar Capacity Limit Increase.

2023-2024 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	May 2, 2023
Introduced by:	Reps. K. Hall, McNeely, Paré, Carney	Prepared by:	Chris Saunders
Analysis of:	PCS to Second Edition H535-CSTQ-23		Staff Attorney

OVERVIEW: *The Proposed Committee Substitute (PCS) to House Bill 535 would increase the maximum authorized total installed capacity of all leased solar facilities on an offering utility's system from 1% to 10% of the previous five-year average of the North Carolina retail contribution to the offering utility's coincident retail peak demand.*

The PCS makes the following changes to the Second Edition:

- *Conforms the capacity limitation in Section 1 to the existing statutory definition of a solar energy facility.*
- *Deletes Part II, related to the expansion of net metering.*

CURRENT LAW: Under current law, the total installed capacity of all leased solar energy facilities on an offering utility's system may not exceed one percent (1%) of the previous five-year average of the North Carolina retail contribution to the offering utility's coincident retail peak demand. A leased solar energy facility may only serve one premises.

An "offering utility" is defined as "[a]ny electric public utility... serving at least 150,000 North Carolina retail jurisdictional customers as of January 1, 2017." The only offering utilities in the State are Duke Energy Progress and Duke Energy Carolinas.

The term "coincident retail peak demand" refers to the demand of all retail customers at the time of the electric system's peak demand.

BILL ANALYSIS: The PCS would increase the maximum authorized total installed capacity of all leased solar facilities on an offering utility's system from 1% to 10% of the previous five-year average of the North Carolina retail contribution to the offering utility's coincident retail peak demand.

This section would also clarify that leased solar energy facilities may not exceed 1,000kW or 100% of contract demand for nonresidential customers, or 20kW or 100% of estimated electrical demand for residential customers.

EFFECTIVE DATE: This act would become effective July 1, 2023 and would apply to solar energy facility leases executed on or after that date.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578