

**§3486. Shared distributed generation resources procurement**

**1. Procurement amounts.** By July 1, 2024, the commission shall procure 250 megawatts of the output of shared distributed generation resources by conducting an initial competitive solicitation for the first block of 50 megawatts pursuant to section 3484 to establish market-based, declining block contract rates to procure the remaining 200 megawatts.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**2. Payment and minimum subscription.** The project sponsor and subscribers of a distributed generation resource that receives a contract under this section must receive the contract rate for the output of a shared distributed generation resource that is fully subscribed. For any portion not subscribed, the project sponsor must receive the wholesale rate obtained by the standard buyer for resale of the shared distributed generation resource output. Requirements for minimum subscriptions include:

A. At least 50% of the total nameplate capacity of a shared distributed generation resource must be subscribed by subscriptions of 25 kilowatts or less or at least 20% of the total nameplate capacity must be subscribed by subscriptions of 25 kilowatts or less if subscriptions from a municipality or units of municipal government account for more than 30% of the total nameplate capacity, unless subscriptions from a municipality or units of municipal government account for more than 50% of the total nameplate capacity of a shared distributed generation resource; and [PL 2019, c. 478, Pt. B, §1 (NEW).]

B. At least:

(1) Ten percent of the total nameplate capacity of a shared distributed generation resource must be subscribed by households with low or moderate income or by organizations serving households with low or moderate income if the subscriptions serve to directly reduce the electricity costs for households with low or moderate income; or

(2) If a municipality or unit of municipal government accounts for more than 50% of the subscriptions to a shared distributed generation resource, 5% of the total nameplate capacity of the shared distributed generation resource must be subscribed by households with low or moderate income or by organizations serving households with low or moderate income if the subscriptions serve to directly reduce the electricity costs for households with low or moderate income. [PL 2019, c. 478, Pt. B, §1 (NEW).]

Subscriptions from municipalities or units of municipal government may not account for more than 70% of the nameplate capacity of a shared distributed generation resource. For the purposes of this subsection, "household with low or moderate income" means a household that provides proof of participation in a utility, municipal, state or federal income-based assistance program or a household that provides proof of household income up to 80% of the median income for the county or metropolitan area where the household is located.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**3. Determination of subscriber bill credit.** The bill credit allocated to each subscriber from a shared distributed generation resource must be based on the subscriber's percentage interest of the total production of the shared distributed generation resource for the previous month. For each billing month, the value of the credit allocated to a subscriber must be calculated by multiplying the number of kilowatt-hours constituting the subscriber's share by the contract rate. On a monthly basis, the project sponsor shall provide to the investor-owned transmission and distribution utility in a standardized and electronic format a list of subscribers and subscriber information required to calculate the bill credit to be provided to each subscriber. A credit to a subscriber must be applied against the subscriber's monthly electricity bill in accordance with section 3487 no later than one billing month following the month during which the energy was generated by the shared distributed generation resource. The investor-owned transmission and distribution utility shall provide a monthly record to the project

sponsor of the credit applied to a subscriber within a month after the credits are applied to the subscriber's bill.

The monthly output available for allocation as subscribed or unsubscribed energy must be determined by a revenue-grade meter installed and paid for by the project sponsor.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**4. Exemption.** A project sponsor or subscriber is not considered a public utility or competitive electricity provider solely as a result of the project sponsor's or subscriber's interest or participation in a shared distributed generation resource.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**5. Renewable energy credits.** Prior to a project sponsor's entering into a contract with a subscriber under this section, the commission shall provide to the sponsor a standard disclosure to be distributed by the sponsor to all participating subscribers that describes the effect of selling the renewable attributes of exported electricity to the standard buyer and explains how a subscriber may participate in the voluntary renewable energy credit market. The commission shall establish a mechanism to allow a subscriber with a share of less than 25 kilowatts to purchase renewable energy credits up to the amount of and of a substantially equivalent type to that which the subscriber has sold to the standard buyer at a price equal to 80% of market value.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**6. Consumer protection.** The commission shall establish by rule consumer protection standards to protect subscribers from fraud and other unfair and deceptive business practices. The commission may impose administrative penalties under chapter 15 upon a project sponsor and may order restitution for any party injured by a violation for which a penalty may be assessed pursuant to chapter 15.

The commission through its own counsel or through the Attorney General may apply to the Superior Court of any county of the State to enforce any lawful order made or action taken by the commission pursuant to this subsection, and the court may issue any preliminary or final order that the court determines proper.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**7. Disclosures.** Prior to the sale or resale of a subscription in a shared distributed generation resource or proposed shared distributed generation resource, a project sponsor selling or reselling the subscription shall provide a disclosure to potential subscribers that includes the following:

A. A good faith estimate of the annual kilowatt-hours to be delivered by the shared distributed generation resource based on the size of the subscriber's interest; [PL 2019, c. 478, Pt. B, §1 (NEW).]

B. A plain language explanation of the terms under which the bill credit under section 3487 will be calculated; [PL 2019, c. 478, Pt. B, §1 (NEW).]

C. A plain language explanation of the contract provisions regulating the disposition or transfer of the subscription; and [PL 2019, c. 478, Pt. B, §1 (NEW).]

D. A plain language explanation of the costs and benefits to the potential subscriber, based on the subscriber's current usage for the term of the proposed contract. [PL 2019, c. 478, Pt. B, §1 (NEW).]

The commission may establish a standard disclosure to be provided to potential subscribers by a project sponsor to disclose the information under this subsection and other information as the commission determines necessary to protect the interests of potential subscribers.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**8. Transfer of subscriptions.** A subscriber may transfer or assign a subscription to the associated project sponsor or to any person or entity that qualifies to be a subscriber in the shared distributed

generation resource. A project sponsor must provide a process for assignment or transfer of a subscription. A project sponsor may not impose transfer fees on a subscriber that moves to a different location within the same utility service territory.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

**9. Project sponsor report.** One year after commercial operation of a shared distributed generation resource commences, the project sponsor must submit to the commission a report detailing compliance with this subsection and subsections 3, 5, 7 and 8.

[PL 2019, c. 478, Pt. B, §1 (NEW).]

#### SECTION HISTORY

PL 2019, c. 478, Pt. B, §1 (NEW).

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