## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2017

H.B. 267 Mar 7, 2017 HOUSE PRINCIPAL CLERK

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## **HOUSE BILL DRH40153-TS-4** (01/17)

Short Title: Utilities/Amend REPS Requirements. (Public) Representatives Dixon and J. Bell (Primary Sponsors). Sponsors: Referred to: A BILL TO BE ENTITLED AN ACT TO AMEND THE RENEWABLE ENERGY PORTFOLIO STANDARD. The General Assembly of North Carolina enacts: AMEND RENEWABLE ENERGY PORTFOLIO STANDARD REQUIREMENTS **SECTION 1.(a)** G.S. 62-133.8 reads as rewritten: "§ 62-133.8. Renewable Energy and Energy Efficiency Portfolio Standard (REPS). (b) Renewable Energy and Energy Efficiency Standards (REPS) for Electric Public Utilities. – (1) Each electric public utility in the State shall be subject to a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) according to the following schedule: Calendar Year **REPS Requirement** 2012 3% of 2011 North Carolina retail sales 6% of 2014 North Carolina retail sales 2015 2018 and thereafter 10%8% of 2017 North Carolina retail sales 2021 and thereafter 12.5% of 2020 North Carolina retail sales (c) Renewable Energy and Energy Efficiency Standards (REPS) for Electric Membership Corporations and Municipalities. -Each electric membership corporation or municipality that sells electric power to retail electric power customers in the State shall be subject to a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) according to the following schedule: Calendar Year **REPS Requirement** 2012 3% of 2011 North Carolina retail sales 2015 6% of 2014 North Carolina retail sales 10%8% of 2017 North Carolina retail sales 2018 and thereafter **SECTION 1.(b)** This section becomes effective July 1, 2017, and applies to cost

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recovery proceedings that occur on or after that date.

**SECTION 2.(a)** G.S. 62-133.8(b)(2)c. reads as rewritten:



"c.

Reduce energy consumption through the implementation of an energy efficiency measure; provided, however, an electric public utility subject to the provisions of this subsection may meet up to twenty-five percent (25%) of the requirements of this section through savings due to implementation of energy efficiency measures. Beginning in calendar year 2021–2018 and each year thereafter, an electric public utility may meet up to forty percent (40%) of the requirements of this section through savings due to implementation of energy efficiency measures."

**SECTION 2.(b)** This section becomes effective July 1, 2017.

## COST RECOVERY AND HOLD HARMLESS

**SECTION 3.** Incremental costs incurred by an electric power supplier prior to July 1, 2017, to comply with any requirement repealed or amended by this act may be recovered as provided in G.S. 62-133.8(h). For the purposes of cost recovery under this act, costs incurred prior to July 1, 2017, include all of the following:

- (1) Costs under purchase contracts for renewable energy entered into prior to July 1, 2017, for the purpose of complying with REPS requirements repealed or amended by this act.
- (2) The costs of renewable energy facilities built by a public utility for which a certificate of public convenience and necessity has been issued by the Commission prior to July 1, 2017, for the purpose of complying with REPS requirements repealed or amended by this act.
- (3) Other costs the Utilities Commission determines are reasonable and prudent costs incurred prior to July 1, 2017, to comply with the REPS requirements repealed or amended by this act.

## SEVERABILITY CLAUSE AND EFFECTIVE DATE

**SECTION 4.(a)** If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

**SECTION 4.(b)** Except as otherwise provided, this act is effective when it becomes law.