


HB57, a New Solar Energy Market



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“The ability to develop clean power and energy-efficient technologies is going to become the defining measure of a country’s economic standing, environmental health, energy security and national security over the next 50 years.”

– Thomas Friedman, *Hot, Flat, and Crowded*

Solar Energy in Georgia

- A. Almost exclusively utility scale
 - 1. Like this Radiance Solar project in Camilla



Solar Energy in Georgia

- Distributed solar market was hampered by lack of PPAs
 - A. Allow resident or business to obtain electricity from onsite solar panels without upfront investment
 - B. Nationwide, about 900MW new residential solar, but little in Georgia

HB 57: Georgia Solar Power Free Market Financing Act

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LC 36 2633ER

House Bill 57

By: Representatives Dudgeon of the 25th, Drenner of the 85th, Brockway of the 102nd,
Geisinger of the 48th, Setzler of the 35th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated,
2 relating to the generation and distribution of electricity generally, so as to provide for
3 financing of solar technology by retail electric customers for the generation of electric energy
4 to be used on and by property owned or occupied by such customers or to be fed back to the
5 electric service provider; to provide a short title; to provide declarations and findings; to
6 provide definitions of certain terms; to provide that an electric service provider shall not be
7 liable for certain acts related to solar technology; to specify what requirements may be
8 imposed upon a retail electric customer utilizing solar technology connected to an electric
9 system of an electric service provider; to clarify who shall be considered an electric supplier
10 and an electric service provider; to provide for applicability; to provide for related matters;
11 to repeal conflicting laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 SECTION 1.

14 Article 1 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to the
15 generation and distribution of electricity generally, is amended by adding a new part to read
16 as follows:

17 Part 4

18 46-3-60.

19 This part shall be known and may be cited as the 'Solar Power Free-Market Financing Act
20 of 2015.'

21 46-3-61.

22 The General Assembly hereby finds and declares that:

H. B. 57
- 1 -

HB 57: Georgia Solar Power Free Market Financing Act

15

LC 36 2633ER

23 (1) It is in the public interest to facilitate customers of electric service providers to invest
24 in and install on their property solar technologies of their choice;
25 (2) Free-market financing of solar technologies may provide more customers with
26 opportunities to install solar technology;
27 (3) Solar energy procurement agreements, and other similar financing arrangements,
28 including those in which the payments are based on the performance and output of the
29 solar technology installed on the property of customers of electric service providers, are
30 financing arrangements which may help reduce or eliminate upfront costs involved in
31 solar technology investments and installation by such customers; and
32 (4) Individuals and entities which offer or receive such financing opportunities through
33 solar energy procurement agreements pursuant to this part should not be considered or
34 treated as electric service providers.

35 46-3-62.

36 As used in this part, the term:

37 (1) 'Affiliate' means any entity directly or indirectly controlling or controlled by or under
38 direct or indirect common control with an electric service provider.
39 (2) 'Capacity limit' means a peak generating capacity in alternating current that is no
40 greater than:
41 (A) Ten kilowatts, for a residential application; or
42 (B) One hundred and twenty-five percent of the actual or expected maximum annual
43 peak demand of the premises the solar technology serves, for a commercial application.
44 (3) 'Control' means the power to significantly influence the management and policies of
45 any affiliate, directly or indirectly, whether through the ownership of voting securities,
46 by contract, or otherwise.
47 (4) 'Electric service provider' means any electric supplier that is engaged in the business
48 of distributing electricity to retail electric customers in this state.
49 (5) 'Electric supplier' has the same meaning as provided in paragraph (3) of Code
50 Section 46-3-3.
51 (6) 'Entity' means any business entity, including, but not limited to, a corporation,
52 partnership, limited liability company, or sole proprietorship.
53 (7) 'Maximum annual peak demand' means the maximum single hour electric demand
54 actually occurring or expected to occur at a premises, measured at the premises' electrical
55 meter.
56 (8) 'Person' means any individual or entity.
57 (9) 'Premises' has the same meaning as provided in paragraph (6) of Code
58 Section 46-3-3.

H. B. 57

- 2 -

HB 57

Authorizing Language

- 46-3-63.
 - (a) Solar technology at or below the capacity limit may be financed by a retail electric customer through a solar financing agent utilizing a solar energy procurement agreement, provided that:

HB 57

Definitions

- (14) 'Solar technology' means a system that:
 - (A) Generates electric energy that is fueled solely by ambient sunlight;
 - (B) Is installed upon property owned or occupied by a retail electric customer; and (C) Is connected to the electric service provider's distribution system on either side of the electric service provider's meter.

- (2) 'Capacity limit' means a peak generating capacity in alternating current that is no greater than:
 - (A) Ten kilowatts, for a residential application; or
 - (B) One hundred and twenty-five percent of the actual or expected maximum annual peak demand of the premises the solar technology serves, for a commercial application.

HB 57

Definitions

- (11) 'Retail electric customer' means a person who purchases electric service from an electric service provider for such person's use and not for the purpose of resale.
- (13) 'Solar financing agent' means any person, including an electric service provider and an affiliate, whose business includes the leasing, financing, or installation of solar technology.
- (12) 'Solar energy procurement agreement' means any agreement, lease, or other arrangement under which a solar financing agent finances the installation, operation, or both of solar technology in which the payments are based on the performance and output of the solar technology installed on the property.

HB 57

Territorial Act Irrelevance

- 46-3-65
 - (a) Provided that the solar technology does not exceed the capacity limit, the leasing, financing, or installation of such solar technology through a solar energy procurement agreement shall not be considered the provision of electric service to the public, retail electric service, or retail supply of electricity by the solar financing agent, and neither the retail electric customer nor the solar financing agent shall be considered an electric supplier within the meaning of Part 1 of this article or in violation of exclusive electric service rights arising therein.
 - (b) Notwithstanding any other provision of law, a solar financing agent's actions under this part shall not cause the solar financing agent to be considered an electric service provider for any purpose under this title.

HB 57

Territorial Act Irrelevance

- 46-3-63
 - (b) No electric service provider shall prevent or otherwise interfere with the installation, operation, or financing of solar technology by a retail electric customer through a solar financing agent pursuant to subsection (a) of this Code section, except that an electric service provider may require the retail electric customer to meet applicable safety, power quality, and interconnection requirements as provided in Code Section 46-3-64.

Solar Energy and HB 57

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