



Considerations For New RPS



Solar and biomass are the primary renewable resources to generate electricity within the District of Columbia, accounting for about 63% of the city's total net generation.

Year	Estimated Annual Savings \$/MWh
2023	\$0.60
2024	\$2.00
2025	\$3.30
2026	\$4.80

The table provides an estimate of savings for those contracts that are signed prior to the law date.



DC Local Solar Expansion Amendment Act of 2022

Retail electricity customers in Washington, DC will see increased costs related to the Renewable Energy Portfolio Standard. The increase is attributed to a new law called the Local Solar Expansion Amendment Act of 2022. This Act increases the solar purchase requirement of the Renewable Energy Portfolio Standard and slows the phasedown of the alternative compliance payment. This amendment was proposed with the goal to further encourage solar adoption within the District.

Retail energy suppliers in Washington, DC must meet the Renewable Energy Portfolio Standard (RPS) on behalf of their customers by obtaining Tier-I renewable energy certificates (RECs) based on the specified DC RPS requirement schedule. A portion of the overall Tier-I requirement is comprised of a solar-carveout obligation that requires the purchase of solar renewable energy credits (SRECs). Prior to the new law, the Solar Requirement ramped up to 10% by 2041. The new law increases it to 15% by 2041.

Once effective, the new law increases solar RPS costs. However, included in the amendment is a provision that grandfathers customer contracts signed prior to the effective date. These grandfathered contracts are exempt from the increased costs for a period of three years from the effective date. The current projected **effective date is March 15, 2023**. For example, a multiyear contract entered in January or February of 2023 through December 2026, is covered by the grandfathering provision through March 15, 2026. The applicability of the grandfather period is determined when the contract is signed relative to effective date. If a customer signs prior to effective date, that load is grandfathered until the end of the 3-year period.

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