

SB 321 – Community Energy Consolidated Billing

DPA Position: Support

DPA supports SB 321, which mandates electricity (supply) cost savings of at least 10% for residential customers and 20% for low- and moderate-income subscribers of community energy facilities (like community solar) and means subscribers will receive only one bill (from Delmarva Power & Light) instead of separate bills from Delmarva and the community energy facility. DPA welcomes these improvements to community solar and the savings these facilities can provide to Delmarva electric customers.

Overview

This legislation modernizes Delaware’s community energy billing system by authorizing utility consolidated billing and net crediting for Community Energy Facilities (CEFs) and by requiring any CEF that utilizes consolidated billing to provide electricity cost savings of at least 10% for residential customers and 20% for low- and moderate-income subscribers of CEFs. The bill is intended to simplify billing for customers, improve transparency, expand participation in community energy programs, and strengthen access for low- to moderate-income households.

The legislation aligns Delaware with neighboring states such as Maryland and New Jersey, where consolidated billing systems have already been implemented successfully. It establishes a clearer and more consumer-friendly billing process while providing greater financial certainty for community energy providers and subscriber organizations.

Expands and Modernizes Community Energy Program Requirements

- Updates eligibility and certification requirements for Community Energy Facilities (CEFs).
- Expands low- to moderate-income participation standards for newer community energy projects.
- Requires qualifying projects to dedicate a portion of energy output to low- to moderate-income subscribers.
- Preserves flexibility for existing projects already operating or approved before September 1, 2026.

New §1014A – Establishes Utility Consolidated Billing and Net Crediting

Defines Consolidated Billing and Net Crediting

- Creates a framework allowing utility bills to include both:
 - Community energy subscription charges, and
 - Community energy bill credits.
- Establishes “net crediting,” where utilities apply subscriber savings directly on the customer bill and remit subscription payments to subscription coordinators.

- Simplifies billing for customers by reducing the need for separate invoices and payment systems.

Consolidated Billing Authorization

- Requires Delmarva Power & Light to offer consolidated billing for residential and small-to-mid-sized commercial customers.
- Makes consolidated billing the default option for newly certified CEF projects beginning after September 2, 2026.
- Allows certain existing projects to opt out under specified timelines and conditions.
- Clarifies that subscription coordinators—not utilities—are responsible for customer enrollment and subscription management.

Consumer Protection Provisions

- Prohibits subscription coordinators from requiring:
 - Credit checks for residential customers.
 - Upfront enrollment fees.
- Establishes minimum savings guarantees for customers participating in community energy programs:
 - At least 10% savings for residential customers.
 - At least 20% savings for income-qualified low- to moderate-income customers in newer projects.
- Requires that customer savings calculations account for all subscription-related fees.
- Prohibits subscription fees, early termination penalties, and unrelated charges through consolidated billing.

Utility Responsibilities and Cost Recovery

- Requires utilities to:
 - Apply community energy credits and charges on a single bill.
 - Remit collected subscription payments electronically to subscription coordinators.
 - Process payments within specified timelines.
- Allows utilities to recover reasonable implementation and administrative costs through Commission-approved fees.
- Caps most utility administrative fees unless the Delaware Public Service Commission determines higher costs are justified.
- Ensures there is no risk of cost shifts to other customers by establishing escrow protections for customer arrearages, refunded annually.

Regulatory Oversight and Implementation

- Requires the Delaware Public Service Commission to adopt implementing regulations by April 1, 2027.
- Requires development of:
 - Data-sharing standards.

- Billing error reporting.
- Credit rollover procedures.
- Improved bill transparency requirements.
- Requires utilities to clearly display applied and banked credits on customer bills.

Stakeholder Working Group and Legislative Recommendations

- Directs the Delaware Public Service Commission to convene a stakeholder working group including:
 - Utilities
 - The Delaware Division of the Public Advocate
 - Community solar providers
 - Consumer advocates
 - Environmental organizations
 - Low-income representatives
- Requires a final report and recommendations to the General Assembly by January 31, 2027.
- Focus areas include:
 - Improving low- to moderate-income participation.
 - Strengthening consumer protections.
 - Improving enrollment processes.
 - Aligning Delaware's framework with neighboring regional markets.

Overall Policy Impact

- Mandates savings on electricity costs of 10% for residential customer and 20% for low- and moderate-income customers of CEFs.
- Simplifies participation in community energy programs for Delaware customers.
- Improves billing transparency and customer experience.
- Expands access to renewable energy for renters and low- to moderate-income households.
- Reduces administrative burdens for both utilities and subscription coordinators.
- Positions Delaware to align with regional best practices for community energy billing systems.