

Final Assumptions for the Long-Term Distributed Solar Generation Forecast

- PJM solicited feedback and edits from the Load Analysis Subcommittee and OPSI
- The following tables show the final assumptions that IHS will use in the long-term distributed solar forecast



RPS and NEM Policy Assumptions by State

Current RPS and NEM policy by state

State	RPS target (% of retail sales)*	Solar carve-out (% of retail sales)	NEM cap (% or capacity)	NEM system size limits by segment (MW)
DE	24% by 2026	3.5% by 2026	5% of aggregated customer peak demand (utility can increase the cap)	.025 (residential), 2 (Delmarva non-residential), .5 (DEC non-residential)
DC	50% by 2032	5% by 2032	N/A	1 (single meter); 5 (community renewables)
MD	25% by 2020	2.5% by 2020	1500 MW	2 or 200% of customer load
NJ	50% by 2030***	5.1% by 2021	5.8% of retail sales	100% of customer load
OH	12.5% by 2026	0.5% by 2026	N/A	Not to exceed 120% of customer annual average load
PA	8% by 2021	0.5% by 2021	N/A	.050 (residential), 3 (non-residential), 5 (microgrids)
WV	-	-	3% of peak demand during previous year	.025 (residential), 2 (industrial for large IOUs), .500 (commercial for large IOUs), .050 (C&I for small IOUs)
IN	-	-	1% of utility's summer peak load	1
IL	25% by 2025****	1.5% by 2025****	5% of utility's peak load in prior year	2
KY	-	-	1% of utility peak load in prior year	0.03
MI	35% by 2025*****	1% by 2025	0.75% of prior year peak load	0.15
NC	12% by 2021*****	0.2% by 2020****	N/A	1
VA	-	-	1% of state's peak load for prior year	.020 (residential), 1 (nonresidential)
TN	-	-	N/A	N/A

Note: *RPS includes solar carve-outs ** NEM remuneration is a tariff structure under which the utility pays customers for excess generation, up to a given amount. The most common arrangement is "full retail rate NEM," in which excess generation is paid the same volumetric price that the customer pays for electricity; so exports are effectively netted against grid consumption over a given period (typically one year). NEG over that period is sometimes paid at a lower rate, often based on the utility's avoided cost. *** New Jersey RPS target only includes Class I renewable technologies and the solar carve-out. **** IL solar carve-out requires 50% of the solar procurements must be from distributed/community solar. RPS mandates least 75% of the standard come from wind and solar. *****Utilities in MI have more ambitious renewables goals. *****RPS compliance in NC can be achieved through energy efficiency and Renewable Energy Credits (RECs) from any state. The primary drivers for solar development include existing PURPA policy, planned RPs, solar resources, solar costs and the previous state tax credit.

Source: IHS Markit

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Current RPS and NEM policy by state

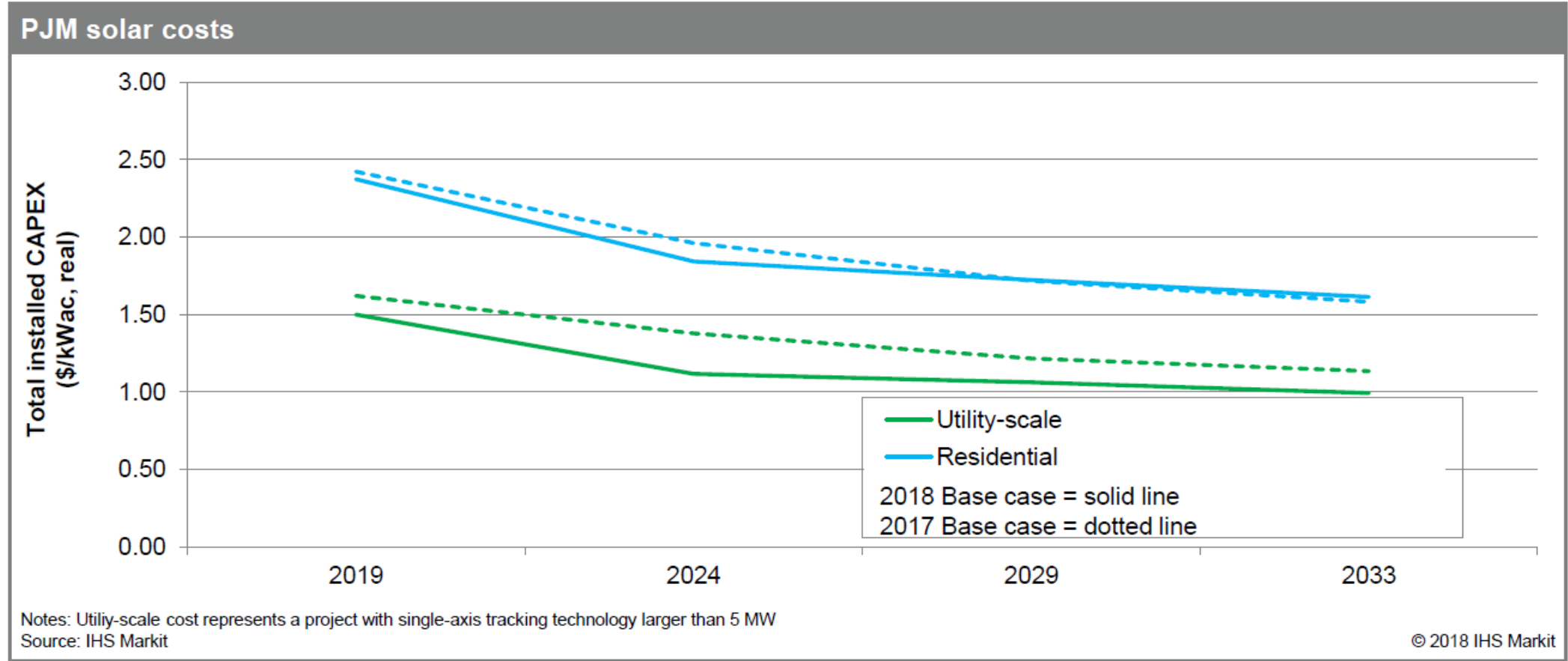
State	NEM remuneration**	NEG remuneration**	Community solar policy
DE	Retail	Retail	Virtual net metering
DC	Retail	Carries over at retail rate indefinitely, at generation rate for systems over 100 kW	Virtual net metering
MD	Retail	Credited to customer's next bill at retail rate; reconciled annually in April at the commodity energy supply rate	Pilot program
NJ	Retail	Retail	Pilot to begin 2018
OH	Less than retail	Credited to next bill at unbundled generation rate	None
PA	Retail	Credited at retail rate for a year, then any leftover excess is credited at generation and transmission portion of the retail rate, but not the distribution	None
WV	Retail	Retail	Virtual net metering
IN	Less than Retail after 2022	Less than Retail after 2022	None
IL	Retail	Credited to next bill at retail rate, excess at end of year is granted to utility	Virtual net metering
KY	Retail	Credited at retail rate for the excess generation, no monetary payment associated with that excess power	Utility-run program
MI	Less than Retail	Less than Retail	None
NC	Retail	Carries over at retail rate, granted to utility at beginning of summer billing period	Utility-run program
VA	Retail	Retail	Utility-run program
TN	N/A	Retail	None

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PJM solar costs (\$/kWac, real)



PJM solar costs (\$/kWac, nominal)

