

Green Energy Fund



2024 Annual Report

Prepared by the DNREC State Energy Office
May 30, 2025



DELAWARE DEPARTMENT OF
NATURAL RESOURCES AND
ENVIRONMENTAL CONTROL



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Contents

Overview: 25 Years of Renewable Energy Funding	4
Low- to Moderate-Income Solar Pilot Program	6
Alternative Compliance Payments (ACP).....	7
Looking Forward	7

This report was prepared by the staff of the DNREC State Energy Office, located within DNREC’s Division of Climate, Coastal and Energy.

For more information on the Green Energy Fund and other resources, visit the DNREC State Energy Office at <https://dnrec.delaware.gov/climate-coastal-energy/energy-office/> or call 302-735-3480.

Overview: 25 Years of Renewable Energy Funding

In 2024, the Green Energy Fund (GEF) celebrated 25 years of supporting renewable energy in Delaware.

The GEF was established by the General Assembly in 1999 to accelerate deployment of renewable energy systems in Delaware. The DNREC State Energy Office administers the GEF, which is funded by Delmarva Power electric customers who are then eligible to access the fund for renewable energy projects. (The Delaware Electric Cooperative and Delaware's municipal electric companies administer their own green energy funds and report their results separately.)

The rationale for supporting renewable energy projects is simple: Developing renewable energy reduces emissions through the reduction in use of fossil fuels, which are harmful to the climate and human health. It also improves energy security and benefits our local economy.

By The Numbers

Since its inception, the Green Energy Fund has:



Provided more than \$68 million for renewable energy projects installed in Delaware.



Benefited more than 7,300 Delaware homeowners, businesses and nonprofit organizations.



Supported development of roughly three-quarters of the total number of solar installations in Delaware.



Supported local jobs at 40 solar installation companies and more than 35 geothermal installers.

GEF resources in 2024 were principally used to fund work under the Green Energy Endowment Program to help Delaware homeowners, businesses and nonprofit organizations meet their energy needs in a more sustainable way through the installation of renewable energy systems. Qualifying systems include solar photovoltaic (PV) systems, solar water heating systems, small wind turbines and geothermal heat pumps.

A unique program feature instituted in 2022 provides that all solar grantees agree to provide their solar renewable energy credits (SRECs) to Delmarva Power at no

additional cost. These SRECs are used by Delmarva to meet a portion of the company’s Renewable Energy Portfolio Standards (RPS) compliance requirement. To date, SRECs being generated by 2,120 projects totaling 22.65 MW have been secured to help meet the company’s RPS compliance requirements.

The GEF collected \$2,652,186 from Delmarva Power customers in 2024 through a small surcharge of \$0.0003560/kilowatt-hour (kWh) on customer bills. DNREC has been successful in using the Green Energy Program to leverage other investments in clean energy systems at \$6 of private investment to \$1 of program investment in 2024. The table below summarizes the funding of Green Energy Endowment Program projects in 2024.

2024 GEF By The Numbers

		Number of Projects	System Capacity	Funding Paid	Leveraged Funds
Residential	Solar PV	844	8.59 MW	\$4,958,536	\$32,306,114
	Geothermal	14	17 tons	\$50,700	\$542,408
Commercial	Solar PV	8	0.32 MW	\$199,088	\$790,894
Nonprofit	Solar PV	3	0.06 MW	\$48,720	\$159,394
Total		869	N/A	\$5,257,044	\$33,798,810

Total solar PV capacity added in 2024: 8.96 MW (megawatts)

Low- to Moderate-Income Solar Pilot Program

The DNREC Low- to Moderate-Income (LMI) Solar Pilot Program is designed to bring renewable energy to a segment of the Delaware population that has historically been underserved by existing state programs and incentives.

Grant funding is available to promote the use of renewable energy in Delaware for low- and moderate-income households. The two-year LMI Solar Pilot Program uses Delmarva Power funds applied toward expansion of solar energy use to customers in their territory. Additional funding became available through a Congressionally Directed Project from U.S. Sen. Chris Coons to make the program available to other utility users throughout the state.

There are two different pathways to qualify for receiving a cost-free or reduced-cost solar installation on your home.

For low-income households, applications and approvals are obtained through DNREC's Weatherization Assistance Program, which serves low-income households with cost-free weatherization. Low-income qualified homes will receive a cost-free solar installation of up to 4.0 kilowatts.

For moderate-income households, applications and approvals are obtained through the Green Energy Program, with applicants specifically requesting the reduced-cost solar installation as a moderate-income household. Qualified moderate-income households will receive a solar installation that has 70% paid for by the LMI Solar Program and 30% by the homeowner for a system size up to 6.0 kW.

2024 LMI Solar Program Grants Paid

	Number of Projects	System Capacity	Funding Provided
Low Income	14	56 kW*	\$280,454
Moderate Income	17	98.7 kW	\$262,590
Totals	31	154.7 kW	\$543,044

* Kilowatts

Since its inception in 2023, the LMI Solar Pilot Program has funded 45 low-income and 33 moderate-income solar installations. The State Energy Office intends to build on this experience to extend the benefits of solar energy to more households in Delaware that could not otherwise afford the capital cost of solar.

Alternative Compliance Payments (ACP)

The GEP's resources are being augmented by Alternative Compliance Payments (ACP) from Delmarva Power.

What are Alternative Compliance Payments?

Utilities pay an Alternative Compliance Payment (ACP) if they cannot buy renewable energy for \$25 or less per megawatt hour (MWh). Instead of paying more for renewable energy, utilities make ACP payments into their Green Energy Funds, which are used to support the growth of renewable energy. Delmarva Power has used this provision to make ACP payments the GEF for the last two compliance years.

How are Delmarva Power's ACP funds being used?

Delmarva Power's ACP funds are being programmed to meet the GEF's mandated purpose under the Delaware Energy.

Allocation of the First ACP of ~\$12 million in 2023

- \$6 million to supplement the oversubscribed renewable energy grants to customers from Green Energy Endowment Program
- \$5 million to the Low- to Moderate-Income Solar Program
- \$1 million split between a solar market potential study and a solar + battery storage study

Programmed Allocation of Second ACP of ~\$13 million in 2024

- \$4 million - another supplement to Green Energy Endowment Program for renewable energy grants to customers
- \$3 million - Microgrid pilot project
- \$3 million - Small scale community solar pilot
- \$3 million - Solar + storage battery pilot incentive program

How does ACP funding help meet renewable energy requirements?

As is the case with regular GEF funding, solar energy projects supported by ACP funds are providing their SRECs to Delmarva Power at no additional cost.

Looking Forward

Since its inception the Green Energy Fund has proven successful in promoting adoption of distributed renewable energy, attracted millions in private investment, and helping Delmarva Power meet its RPS requirement. Building on this record of progress, the GEF will broaden its reach to help those previously unable to afford rooftop solar, invest in new technologies to further enable the growth of distributed energy resources, and help lead the way for further progress on clean energy for Delaware. The staff at the DNREC State Energy Office look forward to continuing to promote clean energy projects to serve the people of Delaware in 2025 and the years to come.

