

**SHB 1011** - H AMD

By Representative Morris

1           Strike everything after the enacting clause and insert the  
2 following:

3           "**Sec. 1.** RCW 80.60.010 and 2000 c 158 s 1 are each amended to  
4 read as follows:

5           The definitions in this section apply throughout this chapter  
6 unless the context clearly indicates otherwise.

7           (1) "Commission" means the utilities and transportation  
8 commission.

9           (2) "Customer-generator" means a user of a net metering system.

10           (3) "Electrical company" means a company owned by investors  
11 that meets the definition of RCW 80.04.010.

12           (4) "Electric cooperative" means a cooperative or association  
13 organized under chapter 23.86 or 24.06 RCW.

14           (5) "Electric utility" means any electrical company, public  
15 utility district, irrigation district, port district, electric  
16 cooperative, or municipal electric utility that is engaged in the  
17 business of distributing electricity to retail electric customers  
18 in the state.

19           (6) "Irrigation district" means an irrigation district under  
20 chapter 87.03 RCW.

21           (7) "Municipal electric utility" means a city or town that owns  
22 or operates an electric utility authorized by chapter 35.92 RCW.

23           (8) "Net metering" means measuring the difference between the  
24 electricity supplied by an electric utility and the electricity  
25 generated by a customer-generator that is fed back to the electric  
26 utility over the applicable billing period.

27           (9) "Net metering system" means a fuel cell or a facility for  
28 the production of electrical energy that:

29           (a) Uses as its fuel either solar, wind, or hydropower;

1 (b) Has a generating capacity of not more than (~~twenty-five~~)  
2 one hundred kilowatts;

3 (c) Is located on the customer-generator's premises;

4 (d) Operates in parallel with the electric utility's  
5 transmission and distribution facilities; and

6 (e) Is intended primarily to offset part or all of the  
7 customer-generator's requirements for electricity.

8 (10) "Port district" means a port district within which an  
9 industrial development district has been established as authorized  
10 by Title 53 RCW.

11 (11) "Public utility district" means a district authorized by  
12 chapter 54.04 RCW.

13 **Sec. 2.** RCW 80.60.020 and 2000 c 158 s 2 are each amended to  
14 read as follows:

15 An electric utility:

16 (1) Shall offer to make net metering available to eligible  
17 customers-generators on a first-come, first-served basis until the  
18 cumulative generating capacity of net metering systems equals  
19 (~~0.1~~)one percent of the utility's peak demand during (~~1996~~)the  
20 fiscal quarter of 1996 when the utility had the lowest peak demand,  
21 of which not less than 0.05 percent shall be attributable to net  
22 metering systems that use as its fuel either solar, wind, or  
23 hydropower;

24 (2) Shall allow net metering systems to be interconnected using  
25 a standard kilowatt-hour meter capable of registering the flow of  
26 electricity in two directions, unless the commission, in the case  
27 of an electrical company, or the appropriate governing body, in the  
28 case of other electric utilities, determines, after appropriate  
29 notice and opportunity for comment:

30 (a) That the use of additional metering equipment to monitor  
31 the flow of electricity in each direction is necessary and  
32 appropriate for the interconnection of net metering systems, after  
33 taking into account the benefits and costs of purchasing and  
34 installing additional metering equipment; and

35 (b) How the cost of purchasing and installing an additional  
36 meter is to be allocated between the customer-generator and the  
37 utility;

1 (3) Shall charge the customer-generator a minimum monthly fee  
2 that is the same as other customers of the electric utility in the  
3 same rate class, but shall not charge the customer-generator any  
4 additional standby, capacity, interconnection, or other fee or  
5 charge unless the commission, in the case of an electrical company,  
6 or the appropriate governing body, in the case of other electric  
7 utilities, determines, after appropriate notice and opportunity for  
8 comment that:

9 (a) The electric utility will incur direct costs associated  
10 with interconnecting or administering net metering systems that  
11 exceed any offsetting benefits associated with these systems; and

12 (b) Public policy is best served by imposing these costs on the  
13 customer-generator rather than allocating these costs among the  
14 utility's entire customer base.

15 **Sec. 3.** RCW 80.60.030 and 1998 c 318 s 4 are each amended to  
16 read as follows:

17 Consistent with the other provisions of this chapter, the net  
18 energy measurement must be calculated in the following manner:

19 (1) The electric utility shall measure the net electricity  
20 produced or consumed during the billing period, in accordance with  
21 normal metering practices.

22 (2) If the electricity supplied by the electric utility exceeds  
23 the electricity generated by the customer-generator and fed back to  
24 the electric utility during the billing period, the customer-  
25 generator shall be billed for the net electricity supplied by the  
26 electric utility, in accordance with normal metering practices.

27 (3) If electricity generated by the customer-generator exceeds  
28 the electricity supplied by the electric utility, the customer-  
29 generator:

30 (a) Shall be billed for the appropriate customer charges for  
31 that billing period, in accordance with RCW 80.60.020; and

32 (b) Shall be credited for the excess kilowatt-hours generated  
33 during the billing period, with this kilowatt-hour credit appearing  
34 on the bill for the following billing period.

35 (~~At the beginning~~) On April 30th of each calendar year, any  
36 remaining unused kilowatt-hour credit accumulated during the  
37 previous year shall be granted to the electric utility, without any  
38 compensation to the customer-generator."

1 Correct the title.

**EFFECT:** Removes provisions establishing a technical advisory group to agree on standard technical requirements for interconnection of distributed generation facilities, including facilities used for net metering, to an electric utility's system.

Removes provisions establishing four levels of review for applications to interconnect to an electric utility's system. Removes provisions establishing specific distributed generation interconnection application processes and timeframes.

Revises net metering provisions so that an electric utility must make net metering available to customers until the cumulative generating capacity of net metering systems equals one percent, instead of 0.1 percent, of the utility's peak demand during the fiscal quarter of 1996 when the utility had the lowest peak demand. Of that one percent, not less than 0.05 percent, instead of 0.5, percent shall be attributable to net metering systems that use as fuel either solar, wind, or hydropower.