

SHB 2510 - H AMD 811

By Representative Morris

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

3 "Sec. 1. RCW 80.60.010 and 2007 c 323 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 that  
11 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 in  
18 the state.

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

21 (7) "Meter aggregation" means the administrative combination of  
22 readings from and billing for all meters, regardless of the rate  
23 class, on premises owned or leased by a customer-generator located  
24 within the service territory of a single electric utility.

25 (8) "Municipal electric utility" means a city or town that owns  
26 or operates an electric utility authorized by chapter 35.92 RCW.

27 (9) "Net metering" means measuring the difference between the  
28 electricity supplied by an electric utility and the electricity  
29 generated by a customer-generator over the applicable billing period.

30 (10) "Net metering system" means a fuel cell, a facility that  
31 produces electricity and used and useful thermal energy from a common

1 fuel source, or a facility for the production of electrical energy  
2 that generates renewable energy, and that:

3 (a) Has an electrical generating capacity of not more than one  
4 (~~hundred~~) thousand kilowatts and is sized no greater than the  
5 customer-generator's measured or calculated peak hourly capacity  
6 demand for the previous year;

7 (b) Is located on the customer-generator's premises;

8 (c) Operates in parallel with the electric utility's transmission  
9 and distribution facilities; and

10 (d) Is intended primarily to offset part or all of the customer-  
11 generator's requirements for electricity.

12 (11) "Premises" means any residential property, commercial real  
13 estate, or lands, owned or leased by a customer-generator within the  
14 service area of a single electric utility.

15 (12) "Port district" means a port district within which an  
16 industrial development district has been established as authorized by  
17 Title 53 RCW.

18 (13) "Public utility district" means a district authorized by  
19 chapter 54.04 RCW.

20 (14) "Renewable energy" means energy generated by a facility that  
21 uses water, wind, solar energy, or biogas from animal waste as a  
22 fuel.

23 **Sec. 2.** RCW 80.60.020 and 2007 c 323 s 2 are each amended to  
24 read as follows:

25 (1) An electric utility:

26 (a) Shall offer to make net metering available to eligible  
27 customers-generators on a first-come, first-served basis until the  
28 cumulative generating capacity of net metering systems equals  
29 (~~(0.25)~~) two percent of the utility's peak demand during 1996. (~~(On~~  
30 ~~January 1, 2014, the cumulative generating capacity available to net~~  
31 ~~metering systems will equal 0.5 percent of the utility's peak demand~~  
32 ~~during 1996.)) Not less than one-half of the utility's 1996 peak~~  
33 demand available for net metering systems shall be reserved for the  
34 cumulative generating capacity attributable to net metering systems  
35 that generate renewable energy. If the utility offers to make net  
36 metering available to eligible customer-generators beyond the minimum  
37 threshold established under this subsection, the utility must provide  
38 notice to all of its retail electric customers of its intention to  
39 continue to offer net metering. The notice must specify the threshold

1 to which and the length of time during which net metering will be  
2 offered;

3 (b) Shall allow net metering systems to be interconnected using a  
4 standard kilowatt-hour meter capable of registering the flow of  
5 electricity in two directions, unless the commission, in the case of  
6 an electrical company, or the appropriate governing body, in the case  
7 of other electric utilities, determines, after appropriate notice and  
8 opportunity for comment:

9 (i) That the use of additional metering equipment to monitor the  
10 flow of electricity in each direction is necessary and appropriate  
11 for the interconnection of net metering systems, after taking into  
12 account the benefits and costs of purchasing and installing  
13 additional metering equipment; and

14 (ii) How the cost of purchasing and installing an additional  
15 meter is to be allocated between the customer-generator and the  
16 utility;

17 (c) Shall charge the customer-generator a minimum monthly fee  
18 that is the same as other customers of the electric utility in the  
19 same rate class, but shall not charge the customer-generator any  
20 additional standby, capacity, interconnection, or other fee or charge  
21 unless the commission, in the case of an electrical company, or the  
22 appropriate governing body, in the case of other electric utilities,  
23 determines, after appropriate notice and opportunity for comment  
24 that:

25 (i) The electric utility will incur direct costs associated with  
26 interconnecting or administering net metering systems that exceed any  
27 offsetting benefits associated with these systems; and

28 (ii) Public policy is best served by imposing these costs on the  
29 customer-generator rather than allocating these costs among the  
30 utility's entire customer base.

31 (2)(a) In order to offer an alternative to net metering to  
32 customer-generators in all or certain increments of the utility's  
33 distribution system, an electric utility that reaches or exceeds the  
34 minimum threshold established under subsection (1)(a) of this section  
35 must first engage in a distributed energy resources planning process,  
36 for all or certain increments of the utility's distribution system,  
37 that accomplishes the objectives for distributed energy resources  
38 planning processes established under chapter . . . (Substitute House  
39 Bill No. 1233), Laws of 2018. If Substitute House Bill No. 1233 is  
40 not enacted by June 30, 2018, the process must accomplish the goals

1 for distributed energy resources planning recommended in the report  
2 published on December 31, 2017, by the commission on current  
3 practices in distributed energy resources planning.

4 (b) An electric utility must continue to offer net metering, in  
5 accordance with the requirements of this chapter, to a customer-  
6 generator with a net metering system that is interconnected as of the  
7 effective date of this section. The electric utility may offer an  
8 alternative to net metering under (a) of this subsection if the  
9 property on which an existing net metering system is located is sold  
10 or if the financial responsibility for the electric meter is  
11 transferred to a new customer.

12 (3) If a production meter and software is required by the  
13 electric utility to provide meter aggregation under RCW 80.60.030(4),  
14 the customer-generator is responsible for the purchase of the  
15 production meter and software.

16 **Sec. 3.** RCW 80.60.030 and 2007 c 323 s 3 are each amended to  
17 read as follows:

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

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

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

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

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

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

36 (4) If a customer-generator requests, an electric utility shall  
37 provide meter aggregation.

38 (a) For customer-generators participating in meter aggregation,  
39 kilowatt-hours credits earned by a net metering system during the

1 billing period first shall be used to offset electricity supplied by  
2 the electric utility.

3 (b) Not more than a total of one (~~hundred~~) thousand kilowatts  
4 shall be aggregated among all customer-generators participating in a  
5 generating facility under this subsection.

6 (c) Excess kilowatt-hours credits earned by the net metering  
7 system, during the same billing period, shall be credited equally by  
8 the electric utility to remaining meters located on all premises of a  
9 customer-generator at the designated rate of each meter.

10 (d) Meters so aggregated shall not change rate classes due to  
11 meter aggregation under this section.

12 (5) On April 30th of each calendar year, any remaining unused  
13 kilowatt-hour credit accumulated during the previous year shall be  
14 granted to the electric utility, without any compensation to the  
15 customer-generator."

16 Correct the title.

EFFECT: Decreases the minimum net metering threshold from 2.5 percent to two percent of a utility's peak demand during 1996. Requires a net metering system to be sized no greater than a customer-generator's measured or calculated peak hourly capacity demand for the previous year. Requires an electric utility that offers to make net metering available beyond the minimum threshold to provide notice to all of its retail electric customers of its intention to continue to offer net metering. Requires the notice to specify the threshold to which and the length of time during which net metering will be offered. Replaces reference to specific goals that a distributed energy resources (DER) planning process must accomplish before an electric utility may offer an alternative to net metering with references to the objectives established under Substitute House Bill No. 1233 or, if not enacted, the goals recommended in the utilities and transportation commission's 2017 DER planning report. Allows a DER planning process to be for all or for certain increments of a utility's distribution system. Requires an electric utility to continue to offer net metering to a customer-generator with an interconnected net metering system until the property on which the net metering system is located is sold, or until financial responsibility for the electric meter is transferred to a new customer.

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