

D R A F T

SUMMARY

Allows customer-generators to aggregate electricity generated by multiple net metering facilities if those net metering facilities are served by same electric utility.

Adds, for purposes of net metering, geothermal power to definition of “net metering facility.”

A BILL FOR AN ACT

Relating to net metering; amending ORS 757.300.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 757.300 is amended to read:

757.300. (1) As used in this section:

(a) “Customer-generator” means a user of a net metering facility.

(b) “Electric utility” means a public utility, a people’s utility district operating under ORS chapter 261, a municipal utility operating under ORS chapter 225 or an electric cooperative organized under ORS chapter 62.

(c) “Net metering” means measuring the difference between the electricity supplied by an electric utility and the electricity generated by a customer-generator and fed back to the electric utility over the applicable billing period.

(d) “Net metering facility” means a facility for the production of electrical energy that:

(A) Generates electricity using solar power, wind power, **geothermal power**, fuel cells, hydroelectric power, landfill gas, digester gas, waste, dedicated energy crops available on a renewable basis or low-emission, nontoxic biomass based on solid organic fuels from wood, forest or field residues;

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

(C) Can operate in parallel with an electric utility's existing transmission and distribution facilities; and

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

(2) An electric utility that offers residential and commercial electric service:

(a) Shall allow net metering facilities to be interconnected using a standard meter that is capable of registering the flow of electricity in two directions.

(b) May at its own expense install one or more additional meters to monitor the flow of electricity in each direction.

(c) May not charge a customer-generator a fee or charge that would increase the customer-generator's minimum monthly charge to an amount greater than that of other customers in the same rate class as the customer-generator. However, the Public Utility Commission, for a public utility, or the governing body, for a municipal electric utility, electric cooperative or people's utility district, may authorize an electric utility to assess a greater fee or charge, of any type, if the electric utility's direct costs of interconnection and administration of the net metering outweigh the distribution system, environmental and public policy benefits of allocating such costs among the electric utility's entire customer base. The commission may authorize a public utility to assess a greater fee or charge under this paragraph only following notice and opportunity for public comment. The governing body of a municipal electric utility, electric cooperative or people's utility district may assess a greater fee or charge under this paragraph only following notice and opportunity for comment from the customers of the utility, cooperative or district.

(3)(a) For a customer-generator, an electric utility shall measure the net electricity produced or consumed during the billing period in accordance with normal metering practices.

1 (b) If an electric utility supplies a customer-generator more electricity
2 than the customer-generator feeds back to the electric utility during a billing
3 period, the electric utility shall charge the customer-generator for the net
4 electricity that the electric utility supplied.

5 (c) Except as provided in paragraph [(d)] (e) of this subsection, if a
6 customer-generator feeds back to an electric utility more electricity than the
7 electric utility supplies the customer-generator during a billing period, the
8 electric utility may charge the minimum monthly charge described in sub-
9 section (2) of this section but must credit the customer-generator for the
10 excess kilowatt-hours generated during the billing period. An electric utility
11 may value the excess kilowatt-hours at the avoided cost of the utility, as
12 determined by the commission or the appropriate governing body. An electric
13 utility that values the excess kilowatt-hours at the avoided cost shall bear
14 the cost of measuring the excess kilowatt-hours, issuing payments and billing
15 for the excess hours. The electric utility also shall bear the cost of providing
16 and installing additional metering to measure the reverse flow of electricity.

17 **(d) If a customer-generator uses more than one net metering facil-**
18 **ity, and if those net metering facilities are served by the same electric**
19 **utility, the electric utility shall, upon request by the customer-**
20 **generator, aggregate any excess kilowatt-hours credited under para-**
21 **graph (c) of this subsection and apply those kilowatt-hours against any**
22 **net electricity for which the customer-generator would otherwise be**
23 **charged under paragraph (b) of this subsection. After applying the**
24 **excess kilowatt-hours against the net electricity supplied, the electric**
25 **utility shall charge the customer-generator for the total net electricity**
26 **that the electric utility supplied during a billing period or credit the**
27 **customer-generator for the total excess kilowatt-hours generated dur-**
28 **ing a billing period.**

29 [(d)] (e) For the billing cycle ending in March of each year, or on such
30 other date as agreed to by the electric utility and the customer-generator,
31 any remaining unused kilowatt-hour credit accumulated during the previous

1 year shall be granted to the electric utility for distribution to customers
2 enrolled in the electric utility's low-income assistance programs, credited to
3 the customer-generator or dedicated for other use as determined by the
4 commission, for a public utility, or the governing body, for a municipal
5 electric utility, electric cooperative or people's utility district, following no-
6 tice and opportunity for public comment.

7 (4)(a) A net metering facility shall meet all applicable safety and per-
8 formance standards established in the state building code. The standards
9 shall be consistent with the applicable standards established by the National
10 Electrical Code, the Institute of Electrical and Electronics Engineers and
11 Underwriters Laboratories or other similarly accredited laboratory.

12 (b) Following notice and opportunity for public comment, the commission,
13 for a public utility, or the governing body, for a municipal electric utility,
14 electric cooperative or people's utility district, may adopt additional control
15 and testing requirements for customer-generators to protect public safety or
16 system reliability.

17 (c) An electric utility may not require a customer-generator whose net
18 metering facility meets the standards in paragraphs (a) and (b) of this sub-
19 section to comply with additional safety or performance standards, perform
20 or pay for additional tests or purchase additional liability insurance. How-
21 ever, an electric utility shall not be liable directly or indirectly for permit-
22 ting or continuing to allow an attachment of a net metering facility, or for
23 the acts or omissions of the customer-generator that cause loss or injury,
24 including death, to any third party.

25 (5) Nothing in this section is intended to prevent an electric utility from
26 offering, or a customer-generator from accepting, products or services related
27 to the customer-generator's net metering facility that are different from the
28 net metering services described in this section.

29 (6) The commission, for a public utility, or the governing body, for a
30 municipal electric utility, electric cooperative or people's utility district,
31 may not limit the cumulative generating capacity of solar, wind, **geothermal**

1 fuel cell and microhydroelectric net metering systems to less than one-half
2 of one percent of a utility's, cooperative's or district's historic single-hour
3 peak load. After a cumulative limit of one-half of one percent has been
4 reached, the obligation of a public utility, municipal electric utility, electric
5 cooperative or people's utility district to offer net metering to a new
6 customer-generator may be limited by the commission or governing body in
7 order to balance the interests of retail customers. When limiting net meter-
8 ing obligations under this subsection, the commission or the governing body
9 shall consider the environmental and other public policy benefits of net me-
10 tering systems. The commission may limit net metering obligations under
11 this subsection only following notice and opportunity for public comment.
12 The governing body of a municipal electric utility, electric cooperative or
13 people's utility district may limit net metering obligations under this sub-
14 section only following notice and opportunity for comment from the cus-
15 tomers of the utility, cooperative or district.

16 (7) The commission or the governing body may adopt rules or ordinances
17 to ensure that the obligations and costs associated with net metering apply
18 to all power suppliers within the service territory of a public utility, mu-
19 nicipal electric utility, electric cooperative or people's utility district.

20 (8) This section applies only to net metering facilities that have a gener-
21 ating capacity of 25 kilowatts or less, except that the commission by rule
22 may provide for a higher limit for customers of a public utility.

23 (9) Notwithstanding subsections (2) to (8) of this section, an electric
24 utility serving fewer than 25,000 customers in Oregon that has its head-
25 quarters located in another state and offers net metering services or a sub-
26 stantial equivalent offset against retail sales in that state shall be deemed
27 to be in compliance with this section if the electric utility offers net meter-
28 ing services to its customers in Oregon in accordance with tariffs, schedules
29 and other regulations promulgated by the appropriate authority in the state
30 where the electric utility's headquarters are located.