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OFFICE WEST MRGINIA SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

HB2201 - Second Fnollnert

FIRST REGULAR SESSION, 2015

SECOND ENROLLMENT

House Bill No. 2201

(By Delegate(s) Ireland, Folk, Manchin, Lynch, Rowe, Fleischauer, Skinner, Fast, Fluharty, Byrd and Summers)



Amended and again passed February 28, 2015

In effect from passage.

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SECOND OFFICE WEST VIRGINIA ENROLLMENT^{SECRETARY} OF STATE

H. B. 2201

[BY DELEGATE(S) IRELAND, FOLK, MANCHIN, LYNCH, ROWE, FLEISCHAUER, SKINNER, FAST, FLUHARTY, BYRD AND SUMMERS]

> [Amended and again passed February 28, 2015; as a result of the objections of the Governor; in effect from passage.]

AN ACT to amend and reenact §24-2F-8 of the Code of West Virginia, 1931, as amended, relating to net metering; defining net metering; defining customer-generator; defining cross-subsidization; requiring the Public Service Commission to prohibit crosssubsidization; requiring the Public Service Commission adopt certain net metering and interconnection rules and standards; striking deadlines for rulemaking by the Public Service Commission; and capping the amount of generating capacity subject to net metering.

Be it enacted by the Legislature of West Virginia:

That §24-2F-8 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

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ARTICLE 2F. NET METERING OF CUSTOMER-GENERATORS.

§24-2F-8. Net metering and interconnection standards.

(a) "Net metering" means measuring the difference between
 electricity supplied by an electric utility and electricity generated
 from a facility owned or leased and operated by a customer
 generator when any portion of the electricity generated from the
 facility is used to offset part or all of the electric retail
 customer's requirements for electricity.

7 (b) "Customer-generator" means an electric retail customer
8 who owns or leases and operates a customer-sited generation
9 project utilizing an alternative or renewable energy resource or
10 a net metering system in this state.

(c) "Cross-subsidization", for purposes of this section,
means the practice of charging costs directly incurred by the
electric utility in accommodating a net metering system to
electric retail customers who are not customer generators.

15 (d) The Public Service Commission shall adopt a rule 16 requiring that all electric utilities provide a rebate or discount at 17 fair value, to be determined by the Public Service Commission, 18 to customer-generators for any electricity generation that is 19 delivered to the utility under a net metering arrangement. The 20 commission shall assure that any net metering tariff does not 21 create a cross-subsidization between customers within one class 22 of service.

(e) The Public Service Commission shall also consider
adopting, by rule, a requirement that all sellers of electricity to
retail customers in the state, including rural electric cooperatives,
municipally owned electric facilities or utilities serving less than
thirty thousand residential electric customers in this state, offer
net metering rebates or discounts to customer-generators.

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29 (f) The Public Service Commission shall institute a general 30 investigation for the purpose of adopting rules pertaining to net 31 metering and the interconnection of eligible electric generating 32 facilities intended to operate in parallel with an electric utility's 33 system. As part of its investigation, the Public Service 34 Commission shall take into consideration rules of other states 35 within the applicable region of the regional transmission 36 organization, as that term is defined in 18 C.F.R. §35.34, that 37 manages a utility's transmission system in any part of this state. 38 Furthermore, the Public Service Commission shall consider 39 increasing the allowed kilowatt capacity for commercial 40 customer-generators to an amount not to exceed five hundred 41 kilowatts and for industrial customer-generators to an amount 42 not to exceed two megawatts. The Public Service Commission 43 shall further consider interconnection standards for combined 44 heat and power.

45 (g) An electric utility shall offer net metering to a customer-46 generator that generates electricity on the customer-generator 47 side of the meter using alternative or renewable energy sources, 48 on a first-come, first-served basis, based on the date of 49 application for interconnection as provided in the rules 50 promulgated by the commission and pursuant to a standard tariff. 51 An electric utility may offer net metering to customer-52 generators, on a first-come, first-served basis, so long as the total 53 generation capacity installed by all customer-generators is no 54 greater than three percent (3%) of the electric utility aggregate 55 customer peak demand in the state during the previous year, of 56 which no less than one-half percent (0.5%) is reserved for 57 residential customer-generators.

(h) The Public Service Commission shall adopt a rule
requiring compliance with the Institute of the Electrical and
Electronics Engineers (IEEE) standards at all times, and as the
same shall be amended, including having a disconnect readily

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- 62 accessible to the utility between the facilities of the customer-
- 63 generator and the electric utility.

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman, House Committee Chairman, Sendie Committee. MAR Originating in the House. 2 In effect from passage. υ ភ ភូមិ Clerk of the Hoyse of Delegates Clerk of the Senate N Speaker of the Hoyse of Delegates President of the Senate this the 12 Te The within, 2015. day of _ fomble ' Gover

PRESENTED TO THE GOVERNOR

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