WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

House Bill 4482

BY DELEGATES FOSTER, FOLK, BLAIR AND WILSON

[Introduced February 9, 2018; Referred

to the Committee on Energy then the Judiciary.]

A BILL to amend and reenact §24-2F-8 of the Code of West Virginia, 1931, as amended, relating
 to net metering; modifying method for determining rebate or discounts to customers; and
 requiring compliance with certain national codes.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2F. ALTERNATIVE AND RENEWABLE ENERGY PORTFOLIO STANDARD.

§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.

5 (b) "Customer-generator" means an electric retail customer who owns or leases and 6 operates a customer-sited generation projected utilizing an alternative or renewable energy 7 resource or a net metering system in this state.

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

(d) "Commission" means the Public Service Commission of West Virginia as constituted
pursuant to §24-1-3 of this code.

(e) The commission shall adopt a rule requiring that all electric utilities provide a rebate or
discount at fair value, to be determined by the commission that is equal to the energy only supply
<u>rate of the utility</u> to customer-generators for any electricity generation that is delivered to the utility
under a net metering arrangement. The commission shall assure that any net metering tariff does
not create a cross-subsidization between customers within one class of service.

(f) The 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 30,000 residential electric customers in this state,

1

INTRODUCED H.B.

2018R2437

21 offer net metering rebates or discounts to customer-generators.

22 (g) The commission shall institute a general investigation for the purpose of adopting rules 23 pertaining to net metering and the interconnection of eligible electric generating facilities intended 24 to operate in parallel with an electric utility's system. As part of its investigation, the commission 25 shall take into consideration rules of other states within the applicable region of the regional 26 transmission organization, as that term is defined in 18 C.F.R. §35.34, that manages a utility's 27 transmission system in any part of this state. Furthermore, the commission shall consider 28 increasing the allowed kilowatt capacity for commercial customer-generators to an amount not to 29 exceed 500 kilowatts and for industrial customer-generators to an amount not to exceed two 30 megawatts. The commission shall further consider interconnection standards for combined heat 31 and power.

32 (h) An electric utility shall offer net metering to a customer-generator that generates 33 electricity on the customer-generator side of the meter using alternative or renewable energy 34 sources, on a first-come, first-served basis, based on the date of application for interconnection 35 as provided in the rules promulgated by the commission and pursuant to a standard tariff. An 36 electric utility may offer net metering to customer-generators, on a first-come, first-served basis, 37 so long as the total generation capacity installed by all customer-generators is no greater than 38 three percent (3%) of the electric utility aggregate customer peak demand in the state during the 39 previous year, of which no less than one-half percent (0.5%) is reserved for residential customer-40 generators.

(i) The commission shall adopt a rule requiring compliance with the <u>National Electric Code</u>
(<u>NEC</u>), Institute of the Electrical and Electronics Engineers (IEEE), <u>and Underwriters Laboratories</u>
(<u>UL</u>), and as the same shall be amended, standards at all times, including having a disconnect
readily accessible to the utility between the facilities of the customer-generator and the electric
utility.

2

NOTE: The purpose of this bill is to modify the method for determining rebate or discounts to customers regarding net metering of electricity. It also requires the Public Service Commission to require compliance with certain national codes.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.