

WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

Introduced

Senate Bill 869

By Senator Oliverio

[Introduced February 19, 2024; referred
to the Committee on Energy, Industry, and Mining;
and then to the Committee on Finance]

1 A BILL to amend and reenact §24-2F-8 of the Code of West Virginia, 1931, as amended, relating
 2 to commercial net metering standards for electricity supplied by an electric utility and
 3 electricity generated from a facility owned or leased and operated by a customer-
 4 generator; modifying definition of "cross-subsidization"; requiring the Public Service
 5 Commission to adopt a rule mandating electric utilities to provide full retail credit to
 6 customer-generators for electricity delivered to a utility under a net metering arrangement;
 7 and requiring the Public Service Commission to increase the allowed kilowatt capacity to
 8 1,000 kilowatts for commercial customer-generators.

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.

1 (a) "Net metering" means measuring the difference between electricity supplied by an
 2 electric utility and electricity generated from a facility owned or leased and operated by a
 3 customer- generator when any portion of the electricity generated from the facility is used to offset
 4 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, or contracts with other persons to own, operate, or both, a customer-sited generation
 7 project utilizing an alternative or renewable energy 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~~ the net of the difference in the cost of a traditional meter and the metering equipment
 10 required for net metering directly incurred by the electric utility in accommodating a net metering
 11 system to electric retail customers who are not customer generators.

12 (d) The Public Service Commission shall adopt a rule requiring that all electric utilities
 13 provide ~~a rebate or discount at fair value, to be determined by the Public Service Commission~~ full
 14 retail credit to customer-generators for any electricity generation that is delivered to the utility
 15 under a net metering arrangement. The commission shall assure that any net metering tariff does

16 not create a cross-subsidization between customers within one class of service.

17 (e) The Public Service Commission shall also ~~consider adopting~~ adopt, by rule, a
18 requirement that all sellers of electricity to retail customers in the state, including rural electric
19 cooperatives, municipally owned electric facilities or utilities serving less than 30,000 residential
20 electric customers in this state, offer ~~net metering rebates or discounts~~ full retail credit to customer-
21 generators.

22 (f) The Public Service Commission shall ~~institute a general investigation for the purpose of~~
23 ~~adopting rules pertaining to net metering and the interconnection of eligible electric generating~~
24 ~~facilities intended to operate in parallel with an electric utility's system. As part of its investigation,~~
25 ~~the Public Service Commission shall take into consideration rules of other states within the~~
26 ~~applicable region of the regional transmission organization, as that term is defined in 18 C.F.R.~~
27 ~~§35.34, that manages a utility's transmission system in any part of this state. Furthermore, the~~
28 ~~Public Service Commission shall consider increasing~~ increase the allowed kilowatt capacity for
29 commercial customer-generators to an amount not to exceed 500 1,000 kilowatts and for industrial
30 customer-generators to an amount not to exceed two megawatts. The Public Service
31 Commission shall further consider interconnection standards for combined heat and power.

32 (g) 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 as
35 provided in the rules promulgated by the commission and pursuant to a standard tariff. An electric
36 utility may offer net metering to customer-generators, on a first-come, first-served basis, so long as
37 the total generation capacity installed by all customer-generators is no greater than three percent
38 (3%) of the electric utility aggregate customer peak demand in the state during the previous year,
39 of which no less than one-half percent (0.5%) is reserved for residential customer-generators.

40 (h) The Public Service Commission shall adopt a rule requiring compliance with the
41 Institute of the Electrical and Electronics Engineers (IEEE) standards at all times, and as the same

- 42 shall be amended, including having a disconnect readily accessible to the utility between the
43 facilities of the customer-generator and the electric utility.

NOTE: The purpose of this bill is to clarify definitions for customer-generator, cross-subsidization and full retail credit for net-metering, and to raise the net-metering cap to 1,000 kilowatts for commercial customers.

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