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**Technology, Energy &  
Communications Committee**

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**HB 1140**

**Brief Description:** Allowing for the net meter aggregation of electricity.

**Sponsors:** Representatives McCoy, Crouse, Grant and Blake.

**Brief Summary of Bill**

- Requires electric utilities to provide meter aggregation for net metering customer-generators.

**Hearing Date:** 1/24/07

**Staff:** Scott Richards (786-7156).

**Background:**

**Net Metering of Electricity**

Net metering means measuring the difference between the electricity supplied by an electric utility and the electricity generated by a net metering system customer-generator over an applicable billing period.

Under current law, a net metering system is defined as either a fuel cell, a facility that produces electricity and useful thermal energy from a common fuel source, or a facility for the production of electrical energy that generates renewable energy.

Renewable energy is defined as energy generated by a facility that uses water, wind, solar energy, or biogas from animal waste as a fuel.

**Net Metering System**

A net metering system must: have an electrical generating capacity of not more than 100 kilowatts; be located on the customer-generator's premises; operate in parallel with the electric utility's transmission and distribution facilities; and be intended primarily to offset part or all of the customer-generator's requirements for electricity.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

### **Calculating Net Energy**

An electric utility measures the net electricity produced or consumed during the billing period, in accordance with normal metering practices. If the electricity supplied by the electric utility exceeds the electricity generated by the customer-generator during the billing period, the customer-generator is billed for the net electricity supplied by the electric utility. If electricity generated by the customer-generator exceeds the electricity supplied by the electric utility, the customer-generator is billed for the appropriate customer charges for that billing period and is credited for the excess kilowatt-hours generated during the billing period, with this kilowatt-hour credit appearing on the bill for the following billing period.

### **Summary of Bill:**

Electric utilities are required to provide meter aggregation for net metering customer-generators within their service territory upon request by the customer-generator.

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

In calculating the bill of a customer-generator, kilowatt-hours generated by a net metering system during a billing period are used first to offset electricity supplied by the electric utility.

Excess kilowatt-hours generated by the net metering system, during the same billing period, are credited equally by the electric utility to remaining meters located on all premises of a customer-generator at the designated rate of each meter.

Premises means any residential property, commercial real estate, or lands, owned or leased by a customer-generator within the service area of a single electric utility.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.