
HOUSE BILL 1862

State of Washington 66th Legislature 2019 Regular Session

By Representatives Mead, Shewmake, Stanford, Pollet, Kloba, and Doglio

Read first time 02/04/19. Referred to Committee on Environment & Energy.

1 AN ACT Relating to net metering; amending RCW 80.60.020,
2 80.60.030, and 82.16.090; adding a new section to chapter 19.27 RCW;
3 creating a new section; and providing an expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 80.60.020 and 2007 c 323 s 2 are each amended to
6 read as follows:

7 (1) An electric utility:

8 (a) Shall offer to make net metering available to eligible
9 customers-generators on a first-come, first-served basis until the
10 cumulative generating capacity of net metering systems equals 0.25
11 percent of the utility's peak demand during 1996. On January 1, 2014,
12 the cumulative generating capacity available to net metering systems
13 will equal (~~(0.5)~~) four percent of the utility's peak demand during
14 1996. Not less than one-half of the utility's 1996 peak demand
15 available for net metering systems shall be reserved for the
16 cumulative generating capacity attributable to net metering systems
17 that generate renewable energy;

18 (b) Shall allow net metering systems to be interconnected using a
19 standard kilowatt-hour meter capable of registering the flow of
20 electricity in two directions, unless the commission, in the case of
21 an electrical company, or the appropriate governing body, in the case

1 of other electric utilities, determines, after appropriate notice and
2 opportunity for comment:

3 (i) That the use of additional metering equipment to monitor the
4 flow of electricity in each direction is necessary and appropriate
5 for the interconnection of net metering systems, after taking into
6 account the benefits and costs of purchasing and installing
7 additional metering equipment; and

8 (ii) How the cost of purchasing and installing an additional
9 meter is to be allocated between the customer-generator and the
10 utility;

11 (c) Shall charge the customer-generator a minimum monthly fee
12 that is the same as other customers of the electric utility in the
13 same rate class, but shall not charge the customer-generator any
14 additional standby, capacity, interconnection, or other fee or charge
15 unless the commission, in the case of an electrical company, or the
16 appropriate governing body, in the case of other electric utilities,
17 determines, after appropriate notice and opportunity for comment
18 that:

19 (i) The electric utility will incur direct costs associated with
20 interconnecting or administering net metering systems that exceed any
21 offsetting benefits associated with these systems; and

22 (ii) Public policy is best served by imposing these costs on the
23 customer-generator rather than allocating these costs among the
24 utility's entire customer base.

25 (2) If a production meter and software is required by the
26 electric utility to provide meter aggregation under RCW 80.60.030(4),
27 the customer-generator is responsible for the purchase of the
28 production meter and software.

29 **Sec. 2.** RCW 80.60.030 and 2007 c 323 s 3 are each amended to
30 read as follows:

31 Consistent with the other provisions of this chapter, the net
32 energy measurement must be calculated in the following manner:

33 (1) The electric utility shall measure the net electricity
34 produced or consumed during the billing period, in accordance with
35 normal metering practices.

36 (2) If the electricity supplied by the electric utility exceeds
37 the electricity generated by the customer-generator and fed back to
38 the electric utility during the billing period, the customer-

1 generator shall be billed for the net electricity supplied by the
2 electric utility, in accordance with normal metering practices.

3 (3) If electricity generated by the customer-generator exceeds
4 the electricity supplied by the electric utility, the customer-
5 generator:

6 (a) Shall be billed for the appropriate customer charges for that
7 billing period, in accordance with RCW 80.60.020; and

8 (b) Shall be credited for the excess kilowatt-hours generated
9 during the billing period, with this kilowatt-hour credit appearing
10 on the bill for the following billing period.

11 (4) If a customer-generator requests, an electric utility shall
12 provide meter aggregation.

13 (a) For customer-generators participating in meter aggregation,
14 kilowatt-hours credits earned by a net metering system during the
15 billing period first shall be used to offset electricity supplied by
16 the electric utility.

17 (b) Not more than a total of one hundred kilowatts shall be
18 aggregated among all customer-generators participating in a
19 generating facility under this subsection.

20 (c) Excess kilowatt-hours credits earned by the net metering
21 system, during the same billing period, shall be credited equally by
22 the electric utility to remaining meters located on all premises of a
23 customer-generator at the designated rate of each meter.

24 (d) Meters so aggregated shall not change rate classes due to
25 meter aggregation under this section.

26 (5) On (~~April 30th~~) March 31st of each calendar year, any
27 remaining unused kilowatt-hour credit accumulated during the previous
28 year shall be granted to the electric utility to be used to assist
29 qualified low-income residential customers of the electric utility in
30 paying their electricity bills, without any compensation to the
31 customer-generator.

32 **Sec. 3.** RCW 82.16.090 and 1988 c 228 s 1 are each amended to
33 read as follows:

34 Any customer billing issued by a light or power business or gas
35 distribution business that serves a total of more than twenty
36 thousand customers and operates within the state shall include the
37 following information:

1 (1) The rates and amounts of taxes paid directly by the customer
2 upon products or services rendered by the light and power business or
3 gas distribution business; (~~and~~)

4 (2) The rate, origin and approximate amount of each tax levied
5 upon the revenue of the light and power business or gas distribution
6 business and added as a component of the amount charged to the
7 customer. Taxes based upon revenue of the light and power business or
8 gas distribution business to be listed on the customer billing need
9 not include taxes levied by the federal government or taxes levied
10 under chapters 54.28, 80.24, or 82.04 RCW; and

11 (3) The total amount of kilowatt-hours of electricity consumed
12 for the most recent twelve-month period.

13 NEW SECTION. **Sec. 4.** A new section is added to chapter 19.27
14 RCW to read as follows:

15 The state building code council, in consultation with the
16 department of commerce and local governments, shall conduct a study
17 of the state building code and adopt changes necessary to encourage
18 greater use of renewable energy systems as defined in RCW 82.16.110.

19 NEW SECTION. **Sec. 5.** (1) The department of commerce shall
20 convene a work group to identify issues and laws associated with the
21 future of net metering. The work group shall include representatives
22 from consumer-owned utilities, investor-owned utilities, the
23 utilities and transportation commission, the solar industry, and any
24 other relevant participants. The department of commerce shall report
25 the work group's recommendations to the appropriate committees of the
26 legislature by December 1, 2020. The work group recommendations must
27 identify the specific circumstances in which changes in compensation
28 for net metering systems would be warranted and what the policy
29 should be for customer-generators in the same rate class. As part of
30 the recommendations, the work group must consider the reduction in
31 utility income associated with different levels of net metering and
32 must consider if there are any cost shifts to ratepayers associated
33 with net metering. The work group shall also provide an inventory of
34 other state's net metering laws.

35 (2) This section expires June 30, 2021.

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