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ENGROSSED HOUSE BILL 2334

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State of Washington

56th Legislature

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By Representatives Gombosky, DeBolt and Poulsen

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1 AN ACT Relating to the definition of net metering system; and  
2 amending RCW 80.60.010, 80.60.020, and 80.60.040.

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

4 **Sec. 1.** RCW 80.60.010 and 1998 c 318 s 2 are each amended to read  
5 as follows:

6 The definitions in this section apply throughout this chapter  
7 unless the context clearly indicates otherwise.

8 (1) "Commission" means the utilities and transportation commission.

9 (2) "Customer-generator" means a user of a net metering system.

10 (3) "Electrical company" means a company owned by investors that  
11 meets the definition of RCW 80.04.010.

12 (4) "Electric cooperative" means a cooperative or association  
13 organized under chapter 23.86 or 24.06 RCW.

14 (5) "Electric utility" means any electrical company, public utility  
15 district, irrigation district, port district, electric cooperative, or  
16 municipal electric utility that is engaged in the business of  
17 distributing electricity to retail electric customers in the state.

18 (6) "Irrigation district" means an irrigation district under  
19 chapter 87.03 RCW.

1 (7) "Municipal electric utility" means a city or town that owns or  
2 operates an electric utility authorized by chapter 35.92 RCW.

3 (8) "Net metering" means measuring the difference between the  
4 electricity supplied by an electric utility and the electricity  
5 generated by a customer-generator that is fed back to the electric  
6 utility over the applicable billing period.

7 (9) "Net metering system" means a fuel cell or a facility for the  
8 production of electrical energy that:

9 (a) Uses as its fuel either solar, wind, or hydropower;

10 (b) Has a generating capacity of not more than twenty-five  
11 kilowatts;

12 (c) Is located on the customer-generator's premises;

13 (d) Operates in parallel with the electric utility's transmission  
14 and distribution facilities; and

15 (e) Is intended primarily to offset part or all of the customer-  
16 generator's requirements for electricity.

17 (10) "Port district" means a port district within which an  
18 industrial development district has been established as authorized by  
19 Title 53 RCW.

20 (11) "Public utility district" means a district authorized by  
21 chapter 54.04 RCW.

22 **Sec. 2.** RCW 80.60.020 and 1998 c 318 s 3 are each amended to read  
23 as follows:

24 An electric utility:

25 (1) Shall offer to make net metering available to eligible  
26 customers-generators on a first-come, first-served basis until the  
27 cumulative generating capacity of net metering systems equals 0.1  
28 percent of the utility's peak demand during 1996, of which not less  
29 than 0.05 percent shall be attributable to net metering systems that  
30 use as its fuel either solar, wind, or hydropower;

31 (2) Shall allow net metering systems to be interconnected using a  
32 standard kilowatt-hour meter capable of registering the flow of  
33 electricity in two directions, unless the commission, in the case of an  
34 electrical company, or the appropriate governing body, in the case of  
35 other electric utilities, determines, after appropriate notice and  
36 opportunity for comment:

37 (a) That the use of additional metering equipment to monitor the  
38 flow of electricity in each direction is necessary and appropriate for

1 the interconnection of net metering systems, after taking into account  
2 the benefits and costs of purchasing and installing additional metering  
3 equipment; and

4 (b) How the cost of purchasing and installing an additional meter  
5 is to be allocated between the customer-generator and the utility;

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

13 (a) The electric utility will incur direct costs associated with  
14 interconnecting or administering net metering systems that exceed any  
15 offsetting benefits associated with these systems; and

16 (b) Public policy is best served by imposing these costs on the  
17 customer-generator rather than allocating these costs among the  
18 utility's entire customer base.

19 **Sec. 3.** RCW 80.60.040 and 1998 c 318 s 5 are each amended to read  
20 as follows:

21 (1) A net metering system used by a customer-generator shall  
22 include, at the customer-generator's own expense, all equipment  
23 necessary to meet applicable safety, power quality, and interconnection  
24 requirements established by the national electrical code, national  
25 electrical safety code, the institute of electrical and electronics  
26 engineers, and underwriters laboratories.

27 (2) The commission, in the case of an electrical company, or the  
28 appropriate governing body, in the case of other electric utilities,  
29 after appropriate notice and opportunity for comment, may adopt by  
30 regulation additional safety, power quality, and interconnection  
31 requirements for customer-generators that the commission or governing  
32 body determines are necessary to protect public safety and system  
33 reliability.

34 (3) An electric utility may not require a customer-generator whose  
35 net metering system meets the standards in subsections (1) and (2) of  
36 this section to comply with additional safety or performance standards,  
37 perform or pay for additional tests, or purchase additional liability  
38 insurance. However, an electric utility shall not be liable directly

1 or indirectly for permitting or continuing to allow an attachment of a  
2 net metering system, or for the acts or omissions of the customer-  
3 generator that cause loss or injury, including death, to any third  
4 party.

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