

**ESHB 2352** - S COMM AMD

By Committee on Water, Energy & Environment

ADOPTED 03/03/2006

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 80.60.010 and 2000 c 158 s 1 are each amended to read  
4 as follows:

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

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

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

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

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

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

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

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

21 (8) "Net metering" means measuring the difference between the  
22 electricity supplied by an electric utility and the electricity  
23 generated by a customer-generator (~~that is fed back to the electric~~  
24 ~~utility~~) over the applicable billing period.

25 (9) "Net metering system" means a fuel cell (~~(or)~~), a facility that  
26 produces electricity and used and useful thermal energy from a common  
27 fuel source, or a facility for the production of electrical energy that  
28 generates renewable energy, and that:

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

1       ~~(b)~~) Has ~~((a))~~ an electrical generating capacity of not more than  
2 ~~((twenty-five))~~ one hundred kilowatts;

3       ~~((c))~~ (b) Is located on the customer-generator's premises;

4       ~~((d))~~ (c) Operates in parallel with the electric utility's  
5 transmission and distribution facilities; and

6       ~~((e))~~ (d) Is intended primarily to offset part or all of the  
7 customer-generator's requirements for electricity.

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

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

13       (12) "Renewable energy" means energy generated by a facility that  
14 uses water, wind, solar energy, or biogas from animal waste as a fuel.

15       **Sec. 2.** RCW 80.60.020 and 2000 c 158 s 2 are each amended to read  
16 as follows:

17       An electric utility:

18       (1) Shall offer to make net metering available to eligible  
19 customers-generators on a first-come, first-served basis until the  
20 cumulative generating capacity of net metering systems equals ~~((0.1))~~  
21 0.25 percent of the utility's peak demand during 1996~~((, of which not~~  
22 ~~less than 0.05 percent shall be attributable to net metering systems~~  
23 ~~that use as its fuel either solar, wind, or hydropower))~~. On January  
24 1, 2014, the cumulative generating capacity available to net metering  
25 systems will equal 0.5 percent of the utility's peak demand during  
26 1996. Not less than one-half of the utility's 1996 peak demand  
27 available for net metering systems shall be reserved for the cumulative  
28 generating capacity attributable to net metering systems that generate  
29 renewable energy;

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

36       (a) That the use of additional metering equipment to monitor the  
37 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 80.60.030 and 1998 c 318 s 4 are each amended to read  
20 as follows:

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

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

26 (2) If the electricity supplied by the electric utility exceeds the  
27 electricity generated by the customer-generator and fed back to the  
28 electric utility during the billing period, the customer-generator  
29 shall be billed for the net electricity supplied by the electric  
30 utility, in accordance with normal metering practices.

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

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

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

1        (~~At the beginning~~) On April 30th of each calendar year, any  
2 remaining unused kilowatt-hour credit accumulated during the previous  
3 year shall be granted to the electric utility, without any compensation  
4 to the customer-generator.

5        **Sec. 4.** RCW 80.60.040 and 2000 c 158 s 3 are each amended to read  
6 as follows:

7        (1) A net metering system used by a customer-generator shall  
8 include, at the customer-generator's own expense, all equipment  
9 necessary to meet applicable safety, power quality, and interconnection  
10 requirements established by the national electrical code, national  
11 electrical safety code, the institute of electrical and electronics  
12 engineers, and underwriters laboratories.

13        (2) The commission, in the case of an electrical company, or the  
14 appropriate governing body, in the case of other electric utilities,  
15 after appropriate notice and opportunity for comment, may adopt by  
16 regulation additional safety, power quality, and interconnection  
17 requirements for customer-generators, including limitations on the  
18 number of customer generators and total capacity of net metering  
19 systems that may be interconnected to any distribution feeder line,  
20 circuit, or network that the commission or governing body determines  
21 are necessary to protect public safety and system reliability.

22        (3) An electric utility may not require a customer-generator whose  
23 net metering system meets the standards in subsections (1) and (2) of  
24 this section to comply with additional safety or performance standards,  
25 perform or pay for additional tests, or purchase additional liability  
26 insurance. However, an electric utility shall not be liable directly  
27 or indirectly for permitting or continuing to allow an attachment of a  
28 net metering system, or for the acts or omissions of the customer-  
29 generator that cause loss or injury, including death, to any third  
30 party."

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1        On page 1, line 1 of the title, after "metering;" strike the  
2 remainder of the title and insert "and amending RCW 80.60.010,  
3 80.60.020, 80.60.030, and 80.60.040."

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