

ESSB 6081 - H COMM AMD

By Committee on Technology & Economic Development

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

3 "Sec. 1. RCW 80.60.010 and 2007 c 323 s 1 are each amended to  
4 read 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  
8 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  
15 utility district, irrigation district, port district, electric  
16 cooperative, or municipal electric utility that is engaged in the  
17 business of distributing electricity to retail electric customers in  
18 the state.

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

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

25 (8) "Municipal electric utility" means a city or town that owns  
26 or operates an electric utility authorized by chapter 35.92 RCW.

27 (9) "Net metering" means measuring the difference between the  
28 electricity supplied by an electric utility and the electricity  
29 generated by a customer-generator over the applicable billing period.

30 (10) "Net metering system" means a fuel cell, a facility that  
31 produces electricity and used and useful thermal energy from a common

1 fuel source, or a facility for the production of electrical energy  
2 that generates renewable energy, and that:

3 (a) Has an electrical generating capacity of not more than one  
4 ~~((hundred))~~ thousand kilowatts; except that the generating capacity  
5 of a net metering system must be no greater than one hundred ninety-  
6 nine kilowatts if: (i) The electric utility with which the net  
7 metering system is directly interconnected receives part or all of  
8 its load-serving generation from the Bonneville power administration;  
9 (ii) the electric utility has not given notice to the Bonneville  
10 power administration that it has a customer-generator resource  
11 serving load; and (iii) the electric utility does not project  
12 sufficient new load growth to utilize the electricity generation from  
13 the net metering system;

14 (b) Is located on the customer-generator's premises;

15 (c) Operates in parallel with the electric utility's transmission  
16 and distribution facilities; and

17 (d) Is intended primarily to offset part or all of the customer-  
18 generator's requirements for electricity.

19 (11) "Premises" means any residential property, commercial real  
20 estate, or lands, owned or leased by a customer-generator within the  
21 service area of a single electric utility.

22 (12) "Port district" means a port district within which an  
23 industrial development district has been established as authorized by  
24 Title 53 RCW.

25 (13) "Public utility district" means a district authorized by  
26 chapter 54.04 RCW.

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

30 **Sec. 2.** RCW 80.60.020 and 2007 c 323 s 2 are each amended to  
31 read as follows:

32 (1) An electric utility:

33 (a) Shall offer to make net metering available to eligible  
34 customers-generators on a first-come, first-served basis until the  
35 cumulative generating capacity of net metering systems equals  
36 ~~((0.25))~~ two percent of the utility's peak demand during 1996. ~~((On~~  
37 ~~January 1, 2014, the cumulative generating capacity available to net~~  
38 ~~metering systems will equal 0.5 percent of the utility's peak demand~~  
39 ~~during 1996.))~~ Not less than one-half of the utility's 1996 peak

1 demand available for net metering systems shall be reserved for the  
2 cumulative generating capacity attributable to net metering systems  
3 that generate renewable energy for residential ratepayers;

4 (b) Shall allow net metering systems to be interconnected using a  
5 standard kilowatt-hour meter capable of registering the flow of  
6 electricity in two directions, unless the commission, in the case of  
7 an electrical company, or the appropriate governing body, in the case  
8 of other electric utilities, determines, after appropriate notice and  
9 opportunity for comment:

10 (i) That the use of additional metering equipment to monitor the  
11 flow of electricity in each direction is necessary and appropriate  
12 for the interconnection of net metering systems, after taking into  
13 account the benefits and costs of purchasing and installing  
14 additional metering equipment; and

15 (ii) How the cost of purchasing and installing an additional  
16 meter is to be allocated between the customer-generator and the  
17 utility;

18 (c) Shall charge the customer-generator a minimum monthly fee  
19 that is the same as other customers of the electric utility in the  
20 same rate class, but shall not charge the customer-generator any  
21 additional standby, capacity, interconnection, or other fee or charge  
22 unless the commission, in the case of an electrical company, or the  
23 appropriate governing body, in the case of other electric utilities,  
24 determines, after appropriate notice and opportunity for comment  
25 that:

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

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

32 (2)(a) An electric utility that reaches or exceeds the minimum  
33 threshold established under subsection (1)(a) of this section may  
34 offer an alternative to net metering to customer-generators in all or  
35 certain increments of the utility's distribution system. In order to  
36 offer an alternative to net metering, the electric utility must first  
37 engage in a distributed energy resources planning process, for all or  
38 certain increments of the utility's distribution system, that  
39 accomplishes the objectives for distributed energy resources planning  
40 processes established under . . . (Engrossed Substitute House Bill

1 No. 1233), Laws of 2018. If Engrossed Substitute House Bill No. 1233  
2 is not enacted by June 30, 2018, the process must accomplish the  
3 goals for distributed energy resources planning recommended in the  
4 report published on December 31, 2017, by the commission on current  
5 practices in distributed energy resources planning.

6 (b) An electric utility must continue to offer net metering, in  
7 accordance with the requirements of this chapter, to a customer-  
8 generator with a net metering system that is interconnected as of the  
9 effective date of this section. The electric utility may offer an  
10 alternative to net metering under (a) of this subsection if the  
11 property on which an existing net metering system is located is sold  
12 or if the financial responsibility for the electric meter is  
13 transferred to a new customer.

14 (3) If a production meter and software is required by the  
15 electric utility to provide meter aggregation under RCW 80.60.030(4),  
16 the customer-generator is responsible for the purchase of the  
17 production meter and software.

18 **Sec. 3.** RCW 80.60.030 and 2007 c 323 s 3 are each amended to  
19 read as follows:

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

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

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

30 (3) If electricity generated by the customer-generator exceeds  
31 the electricity supplied by the electric utility, the customer-  
32 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  
37 on the bill for the following billing period.

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

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

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

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

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

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

20 **Sec. 4.** RCW 82.16.090 and 1988 c 228 s 1 are each amended to  
21 read as follows:

22 Any customer billing issued by a light or power business or gas  
23 distribution business that serves a total of more than twenty  
24 thousand customers and operates within the state shall include the  
25 following information:

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

29 (2) The rate, origin and approximate amount of each tax levied  
30 upon the revenue of the light and power business or gas distribution  
31 business and added as a component of the amount charged to the  
32 customer. Taxes based upon revenue of the light and power business or  
33 gas distribution business to be listed on the customer billing need  
34 not include taxes levied by the federal government or taxes levied  
35 under chapters 54.28, 80.24, or 82.04 RCW; and

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

38 Correct the title.

EFFECT: Increases the maximum electrical generating capacity of a net metering system from not more than 100 kilowatts to 1,000 kilowatts, except in certain circumstances. Reduces the minimum net metering threshold from 4.0 percent of a utility's peak demand during 1996 to 2.0 percent of a utility's peak demand during 1996. Specifies that not less than one-half of the utility's 1996 peak demand available for net metering systems must be reserved for residential renewable energy systems. Requires an electric utility that meets or exceeds the minimum net metering threshold to conduct a distributed energy resources planning process in order to offer an alternative to net metering. Provides for the annual expiration of net metering credits on either March 31 or April 30 of each calendar year. Strikes the section requiring the State Building Code Council to conduct a study of the State Building Code. Strikes the section requiring the Department of Commerce to convene a work group on the future of net metering.

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