WEST VIRGINIA LEGISLATURE
FIRST REGULAR SESSION, 2015

SECOND ENROLLMENT

House Bill No. 2201
(By Delegate(s) Ireland, Folk, Manchin, Lynch, Rowe, Fleischauer, Skinner, Fast, Fluharty, Byrd and Summers)

Amended and again passed February 28, 2015

In effect from passage.
AN ACT to amend and reenact §24-2F-8 of the Code of West Virginia, 1931, as amended, relating to net metering; defining net metering; defining customer-generator; defining cross-subsidization; requiring the Public Service Commission to prohibit cross-subsidization; requiring the Public Service Commission adopt certain net metering and interconnection rules and standards; striking deadlines for rulemaking by the Public Service Commission; and capping the amount of generating capacity subject to net metering.

Be it enacted by the Legislature of West Virginia:

That §24-2F-8 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:
ARTICLE 2F. NET METERING OF CUSTOMER-GENERATORS.


(a) "Net metering" means measuring the difference between electricity supplied by an electric utility and electricity generated from a facility owned or leased and operated by a customer generator when any portion of the electricity generated from the facility is used to offset part or all of the electric retail customer's requirements for electricity.

(b) "Customer-generator" means an electric retail customer who owns or leases and operates a customer-sited generation project utilizing an alternative or renewable energy resource or a net metering system in this state.

(c) "Cross-subsidization", for purposes of this section, means the practice of charging costs directly incurred by the electric utility in accommodating a net metering system to electric retail customers who are not customer generators.

(d) The Public Service Commission shall adopt a rule requiring that all electric utilities provide a rebate or discount at fair value, to be determined by the Public Service Commission, to customer-generators for any electricity generation that is delivered to the utility under a net metering arrangement. The commission shall assure that any net metering tariff does not create a cross-subsidization between customers within one class of service.

(e) The Public Service Commission shall also consider adopting, by rule, a requirement that all sellers of electricity to retail customers in the state, including rural electric cooperatives, municipally owned electric facilities or utilities serving less than thirty thousand residential electric customers in this state, offer net metering rebates or discounts to customer-generators.
(f) The Public Service Commission shall institute a general investigation for the purpose of adopting rules pertaining to net metering and the interconnection of eligible electric generating facilities intended to operate in parallel with an electric utility's system. As part of its investigation, the Public Service Commission shall take into consideration rules of other states within the applicable region of the regional transmission organization, as that term is defined in 18 C.F.R. §35.34, that manages a utility's transmission system in any part of this state. Furthermore, the Public Service Commission shall consider increasing the allowed kilowatt capacity for commercial customer-generators to an amount not to exceed five hundred kilowatts and for industrial customer-generators to an amount not to exceed two megawatts. The Public Service Commission shall further consider interconnection standards for combined heat and power.

(g) An electric utility shall offer net metering to a customer-generator that generates electricity on the customer-generator side of the meter using alternative or renewable energy sources, on a first-come, first-served basis, based on the date of application for interconnection as provided in the rules promulgated by the commission and pursuant to a standard tariff. An electric utility may offer net metering to customer-generators, on a first-come, first-served basis, so long as the total generation capacity installed by all customer-generators is no greater than three percent (3%) of the electric utility aggregate customer peak demand in the state during the previous year, of which no less than one-half percent (0.5%) is reserved for residential customer-generators.

(h) The Public Service Commission shall adopt a rule requiring compliance with the Institute of the Electrical and Electronics Engineers (IEEE) standards at all times, and as the same shall be amended, including having a disconnect readily
accessible to the utility between the facilities of the customer-generator and the electric utility.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman, House Committee

Chairman, Senate Committee

Originating in the House.

In effect from passage.

Clerk of the House of Delegates

Clerk of the Senate

Speaker of the House of Delegates

President of the Senate

The within bill is approved this the ______ day of __________, 2015.

Governor