Sen. Steve Stadelman

Filed: 5/1/2026

AMENDMENT TO SENATE BILL 3922

AMENDMENT NO. ______. Amend Senate Bill 3922 by deleting line 4 on page 1 through line 10 on page 39; and

on page 76, line 18, after "Sections", by inserting "16-107.5,"; and

on page 76, immediately below line 19, by inserting the following:

"(220 ILCS 5/16-107.5)

(Text of Section before amendment by P.A. 104-458)

Sec. 16-107.5. Net electricity metering.

(a) The General Assembly finds and declares that a program to provide net electricity metering, as defined in this Section, for eligible customers can encourage private investment in renewable energy resources, stimulate economic growth, enhance the continued diversification of Illinois' energy resource mix, and protect the Illinois environment. Further, to achieve the goals of this Act that robust options for customer-site distributed generation continue to thrive in Illinois, the General Assembly finds that a predictable transition must be ensured for customers between full net metering at the retail electricity rate to the distribution generation rebate described in Section 16-107.6.

(b) As used in this Section, (i) "community renewable generation project" shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act; (ii) "eligible customer" means a retail customer that owns, hosts, or operates, including any third-party owned systems, a solar, wind, or other eligible renewable electrical generating facility that is located on the customer's premises or customer's side of the billing meter and is intended primarily to offset the customer's own current or future electrical requirements; (iii) "electricity provider" means an electric utility or alternative retail electric supplier; (iv) "eligible renewable electrical generating facility" means a generator, which may include the co-location of an energy storage system, that is interconnected under rules adopted by the Commission and is powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated and unadulterated wood waste, livestock manure, anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy; (v) "net electricity metering" (or "net metering") means the measurement, during the billing period applicable to an eligible customer, of the net amount of electricity supplied by an electricity provider to the customer or provided to the electricity provider by the customer or subscriber; (vi) "subscriber" shall have the meaning as set forth in Section 1-10 of the Illinois Power Agency Act; (vii) "subscription" shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act; (viii) "energy storage system" means commercially available technology that is capable of absorbing energy and storing it for a period of time for use at a later time, including, but not limited to, electrochemical, thermal, and electromechanical technologies, and may be interconnected behind the customer's meter or interconnected behind its own meter; and (ix) "future electrical requirements" means modeled electrical requirements upon occupation of a new or vacant property, and other reasonable expectations of future electrical use, as well as, for occupied properties, a reasonable approximation of the annual load of 2 electric vehicles and, for non-electric heating customers, a reasonable approximation of the incremental electric load associated with fuel switching. The approximations shall be applied to the appropriate net metering tariff and do not need to be unique to each individual eligible customer. The utility shall submit these approximations to the Commission for review, modification, and approval.

(c) A net metering facility shall be equipped with metering equipment that can measure the flow of electricity in both directions at the same rate.

(1) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished through use of a single, bi-directional meter. If the eligible customer's existing electric revenue meter does not meet this requirement, the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of this Act.

(2) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished through use of a dual channel meter capable of measuring the flow of electricity both into and out of the

customer's facility at the same rate and ratio. If such customer's existing electric revenue meter does not meet this requirement, then the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of this Act.

(3) For all other eligible customers, until such time as the local electric utility installs a smart meter, as described by subsection (b) of Section 16-108.5 of this Act, the electricity provider may arrange for the local electric utility or a meter service provider to install and maintain metering equipment capable of measuring the flow of electricity both into and out of the customer's facility at the same rate and ratio, typically through the use of a dual channel meter. If the eligible customer's existing electric revenue meter does not meet this requirement, then the costs of installing such equipment shall be paid for by the customer.

(d) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in subsection (e-5) of this Section.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of electricity used by the customer during that billing period, the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour credit to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits

in the customer's account shall expire.

(d-5) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is provided based on hourly pricing or time-of-use rates in the following manner:

(1) If the amount of electricity used by the customer during any hourly period or time-of-use period exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the contract or tariff to which the same customer would be assigned to or be eligible for if the customer was not a net metering customer.

(2) If the amount of electricity produced by a customer during any hourly period or time-of-use period exceeds the amount of electricity used by the customer during that hourly period or time-of-use period, the energy provider shall apply a credit for the net kilowatt-hours produced in such period. The credit shall consist of an energy credit and a delivery service credit. The energy credit shall be valued at the same price per kilowatt-hour as the electric service provider would

charge for kilowatt-hour energy sales during that same hourly period or time-of-use period. The delivery credit shall be equal to the net kilowatt-hours produced in such hourly period or time-of-use period times a credit that reflects all kilowatt-hour based charges in the customer's electric service rate, excluding energy charges.

(e) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in subsection (e-5) of this Section. The customer shall remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of electricity used by the customer during that billing period, then the electricity provider supplying that

customer shall apply a 1:1 kilowatt-hour credit that reflects the kilowatt-hour based charges in the customer's electric service rate to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.

(e-5) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall not charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. The customer will remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer. Subsections (c) through (e) of this Section shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the appropriate metering equipment for non-residential customers.

(f) Notwithstanding the requirements of subsections (c) through (e-5) of this Section, an electricity provider must require dual-channel metering for customers operating eligible renewable electrical generating facilities to whom the provisions of neither subsection (d), (d-5), nor (e) of this Section apply. In such cases, electricity charges and credits shall be determined as follows:

(1) The electricity provider shall assess and the customer remains responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the gross amount of kilowatt-hours supplied to the eligible customer by the electricity provider.

(2) Each month that service is supplied by means of dual-channel metering, the electricity provider shall compensate the eligible customer for any excess

kilowatt-hour credits at the electricity provider's avoided cost of electricity supply over the monthly period or as otherwise specified by the terms of a power-purchase agreement negotiated between the customer and electricity provider.

(3) For all eligible net metering customers taking service from an electricity provider under contracts or tariffs employing hourly or time-of-use rates, any monthly consumption of electricity shall be calculated according to the terms of the contract or tariff to which the same customer would be assigned to or be eligible for if the customer was not a net metering customer. When those same customer-generators are net generators during any discrete hourly or time-of-use period, the net kilowatt-hours produced shall be valued at the same price per kilowatt-hour as the electric service provider would charge for retail kilowatt-hour sales during that same time-of-use period.

(g) For purposes of federal and State laws providing renewable energy credits or greenhouse gas credits, the eligible customer shall be treated as owning and having title to the renewable energy attributes, renewable energy credits, and greenhouse gas emission credits related to any electricity produced by the qualified generating unit. The electricity provider may not condition participation in a net metering program on the signing over of a customer's renewable energy credits; provided, however, this subsection (g) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth the ownership or title of the credits.

(h) Within 120 days after the effective date of this amendatory Act of the 95th General Assembly, the Commission shall establish standards for net metering and, if the Commission has not already acted on its own initiative, standards for the interconnection of eligible renewable generating equipment to the utility system. The interconnection standards shall address any procedural barriers, delays, and administrative costs associated with the interconnection of customer-generation while ensuring the safety and reliability of the units and the electric utility system. The Commission shall consider the Institute of Electrical and Electronics Engineers (IEEE) Standard 1547 and the issues of (i) reasonable and fair fees and costs, (ii) clear timelines for major milestones in the interconnection process, (iii) nondiscriminatory terms of agreement, and (iv) any best practices for interconnection of distributed generation.

(h-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, the Commission shall:

(1) establish an Interconnection Working Group. The working group shall include representatives from electric

utilities, developers of renewable electric generating facilities, other industries that regularly apply for interconnection with the electric utilities, representatives of distributed generation customers, the Commission Staff, and such other stakeholders with a substantial interest in the topics addressed by the Interconnection Working Group. The Interconnection Working Group shall address at least the following issues:

(A) cost and best available technology for interconnection and metering, including the standardization and publication of standard costs;

(B) transparency, accuracy and use of the distribution interconnection queue and hosting capacity maps;

(C) distribution system upgrade cost avoidance through use of advanced inverter functions;

(D) predictability of the queue management process and enforcement of timelines;

(E) benefits and challenges associated with group studies and cost sharing;

(F) minimum requirements for application to the interconnection process and throughout the interconnection process to avoid queue clogging behavior;

(G) process and customer service for interconnecting customers adopting distributed energy resources, including energy storage;

(H) options for metering distributed energy resources, including energy storage;

(I) interconnection of new technologies, including smart inverters and energy storage;

(J) collect, share, and examine data on Level 1 interconnection costs, including cost and type of upgrades required for interconnection, and use this data to inform the final standardized cost of Level 1 interconnection; and

(K) such other technical, policy, and tariff issues related to and affecting interconnection performance and customer service as determined by the Interconnection Working Group.

The Commission may create subcommittees of the Interconnection Working Group to focus on specific issues of importance, as appropriate. The Interconnection Working Group shall report to the Commission on recommended improvements to interconnection rules and tariffs and policies as determined by the Interconnection Working Group at least every 6 months. Such reports shall include consensus recommendations of the Interconnection Working Group and, if applicable, additional recommendations for which consensus was not reached. The Commission shall use the report from the Interconnection Working Group to determine whether processes should be commenced to formally codify or implement the recommendations;

(2) create or contract for an Ombudsman to resolve interconnection disputes through non-binding arbitration. The Ombudsman may be paid in full or in part through fees levied on the initiators of the dispute; and

(3) determine a single standardized cost for Level 1 interconnections, which shall not exceed $200.

(i) All electricity providers shall begin to offer net metering no later than April 1, 2008.

(j) An electricity provider shall provide net metering to eligible customers according to subsections (d), (d-5), and (e). Eligible renewable electrical generating facilities for which eligible customers registered for net metering before January 1, 2025 shall continue to receive net metering services according to subsections (d), (d-5), and (e) of this Section for the lifetime of the system, regardless of whether those retail customers change electricity providers or whether the retail customer benefiting from the system changes. On and after January 1, 2025, any eligible customer that applies for net metering and previously would have qualified under subsections (d), (d-5), or (e) shall only be eligible for net metering as described in subsection (n).

(k) Each electricity provider shall maintain records and report annually to the Commission the total number of net metering customers served by the provider, as well as the type, capacity, and energy sources of the generating systems used by the net metering customers. Nothing in this Section shall limit the ability of an electricity provider to request the redaction of information deemed by the Commission to be confidential business information.

(l)(1) Notwithstanding the definition of "eligible customer" in item (ii) of subsection (b) of this Section, each electricity provider shall allow net metering as set forth in this subsection (l) and for the following projects, provided that only electric utilities serving more than 200,000 customers as of January 1, 2021 shall provide net metering for projects that are eligible for subparagraph (C) of this paragraph (1) and have energized after the effective date of this amendatory Act of the 102nd General Assembly:

(A) properties owned or leased by multiple customers that contribute to the operation of an eligible renewable electrical generating facility through an ownership or leasehold interest of at least 200 watts in such facility, such as a community-owned wind project, a community-owned biomass project, a community-owned solar project, or a community methane digester processing livestock waste from multiple sources, provided that the facility is also located within the utility's service territory;

(B) individual units, apartments, or properties located in a single building that are owned or leased by multiple customers and collectively served by a common eligible renewable electrical generating facility, such as an office or apartment building, a shopping center or strip mall served by photovoltaic panels on the roof; and

(C) subscriptions to community renewable generation projects, including community renewable generation projects on the customer's side of the billing meter of a host facility and partially used for the customer's own load.

In addition, the nameplate capacity of the eligible renewable electric generating facility that serves the demand of the properties, units, or apartments identified in paragraphs (1) and (2) of this subsection (l) shall not exceed 5,000 kilowatts in nameplate capacity in total. Any eligible renewable electrical generating facility or community renewable generation project that is powered by photovoltaic electric energy and installed after the effective date of this amendatory Act of the 99th General Assembly must be installed by a qualified person in compliance with the requirements of Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder.

(2) Notwithstanding anything to the contrary, an electricity provider shall provide credits for the electricity produced by the projects described in paragraph (1) of this subsection (l). The electricity provider shall provide credits that include at least energy supply, capacity, transmission, and, if applicable, the purchased energy adjustment on the subscriber's monthly bill equal to the subscriber's share of

the production of electricity from the project, as determined by paragraph (3) of this subsection (l). For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the Commission for review, modification, and approval. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis.

(3) Notwithstanding anything to the contrary and regardless of whether a subscriber to an eligible community renewable generation project receives power and energy service from the electric utility or an alternative retail electric supplier, for projects eligible under paragraph (C) of subparagraph (1) of this subsection (l), electric utilities serving more than 200,000 customers as of January 1, 2021 shall provide the monetary credits to a subscriber's subsequent bill for the electricity produced by community renewable generation projects. The electric utility shall provide monetary credits to a subscriber's subsequent bill at the utility's total price to compare equal to the subscriber's share of the production of electricity from the project, as determined by paragraph (5) of this subsection (l). For the purposes of this subsection, "total price to compare" means

the rate or rates published by the Illinois Commerce Commission for energy supply for eligible customers receiving supply service from the electric utility, and shall include energy, capacity, transmission, and the purchased energy adjustment. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis. Any applicable credit or reduction in load obligation from the production of the community renewable generating projects receiving a credit under this subsection shall be credited to the electric utility to offset the cost of providing the credit. To the extent that the credit or load obligation reduction does not completely offset the cost of providing the credit to subscribers of community renewable generation projects as described in this subsection, the electric utility may recover the remaining costs through its Multi-Year Rate Plan. All electric utilities serving 200,000 or fewer customers as of January 1, 2021 shall only provide the monetary credits to a subscriber's subsequent bill for the electricity produced by community renewable generation projects if the subscriber receives power and energy service from the electric utility. Alternative retail electric suppliers providing power and energy service to a subscriber located within the service territory of an electric utility not subject to Sections 16-108.18 and 16-118 shall provide the monetary credits to the subscriber's subsequent bill for the electricity produced by community renewable generation projects.

(4) If requested by the owner or operator of a community renewable generating project, an electric utility serving more than 200,000 customers as of January 1, 2021 shall enter into a net crediting agreement with the owner or operator to include a subscriber's subscription fee on the subscriber's monthly electric bill and provide the subscriber with a net credit equivalent to the total bill credit value for that generation period minus the subscription fee, provided the subscription fee is structured as a fixed percentage of bill credit value. The net crediting agreement shall set forth payment terms from the electric utility to the owner or operator of the community renewable generating project, and the electric utility may charge a net crediting fee to the owner or operator of a community renewable generating project that may not exceed 2% of the bill credit value. Notwithstanding anything to the contrary, an electric utility serving 200,000 customers or fewer as of January 1, 2021 shall not be obligated to enter into a net crediting agreement with the owner or operator of a community renewable generating project.

(5) For the purposes of facilitating net metering, the owner or operator of the eligible renewable electrical generating facility or community renewable generation project shall be responsible for determining the amount of the credit that each customer or subscriber participating in a project

under this subsection (l) is to receive in the following manner:

(A) The owner or operator shall, on a monthly basis, provide to the electric utility the kilowatthours of generation attributable to each of the utility's retail customers and subscribers participating in projects under this subsection (l) in accordance with the customer's or subscriber's share of the eligible renewable electric generating facility's or community renewable generation project's output of power and energy for such month. The owner or operator shall electronically transmit such calculations and associated documentation to the electric utility, in a format or method set forth in the applicable tariff, on a monthly basis so that the electric utility can reflect the monetary credits on customers' and subscribers' electric utility bills. The electric utility shall be permitted to revise its tariffs to implement the provisions of this amendatory Act of the 102nd General Assembly. The owner or operator shall separately provide the electric utility with the documentation detailing the calculations supporting the credit in the manner set forth in the applicable tariff.

(B) For those participating customers and subscribers who receive their energy supply from an alternative retail electric supplier, the electric utility shall remit to the applicable alternative retail electric supplier the information provided under subparagraph (A) of this paragraph (3) for such customers and subscribers in a manner set forth in such alternative retail electric supplier's net metering program, or as otherwise agreed between the utility and the alternative retail electric supplier. The alternative retail electric supplier shall then submit to the utility the amount of the charges for power and energy to be applied to such customers and subscribers, including the amount of the credit associated with net metering.

(C) A participating customer or subscriber may provide authorization as required by applicable law that directs the electric utility to submit information to the owner or operator of the eligible renewable electrical generating facility or community renewable generation project to which the customer or subscriber has an ownership or leasehold interest or a subscription. Such information shall be limited to the components of the net metering credit calculated under this subsection (l), including the bill credit rate, total kilowatthours, and total monetary credit value applied to the customer's or subscriber's bill for the monthly billing period.

(l-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility subject to this Section shall file a tariff or tariffs to implement the provisions of subsection (l) of this Section, which shall, consistent with the provisions of subsection (l), describe the terms and conditions under which owners or operators of qualifying properties, units, or apartments may participate in net metering. The Commission shall approve, or approve with modification, the tariff within 120 days after the effective date of this amendatory Act of the 102nd General Assembly.

(m) Nothing in this Section shall affect the right of an electricity provider to continue to provide, or the right of a retail customer to continue to receive service pursuant to a contract for electric service between the electricity provider and the retail customer in accordance with the prices, terms, and conditions provided for in that contract. Either the electricity provider or the customer may require compliance with the prices, terms, and conditions of the contract.

(n) On and after January 1, 2025, the net metering services described in subsections (d), (d-5), and (e) of this Section shall no longer be offered, except as to those eligible renewable electrical generating facilities for which retail customers are receiving net metering service under these subsections at the time the net metering services under those subsections are no longer offered; those systems shall continue to receive net metering services described in subsections (d), (d-5), and (e) of this Section for the lifetime of the system, regardless of if those retail customers change electricity providers or whether the retail customer benefiting from the system changes. The electric utility serving more than 200,000 customers as of January 1, 2021 is responsible for ensuring the billing credits continue without lapse for the lifetime of systems, as required in subsection (o). Those retail customers that begin taking net metering service after the date that net metering services are no longer offered under such subsections shall be subject to the provisions set forth in the following paragraphs (1) through (3) of this subsection (n):

(1) An electricity provider shall charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric supply service is not provided based on hourly pricing in the following manner:

(A) If the amount of electricity used by the customer during the monthly billing period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net kilowatt-hour based electricity charges reflected in the customer's electric service rate supplied to and used by the customer as provided in paragraph (3) of this subsection (n).

(B) If the amount of electricity produced by a customer during the monthly billing period exceeds the amount of electricity used by the customer during that billing period, then the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour energy or monetary credit kilowatt-hour supply charges to the customer's subsequent bill. The customer shall choose between 1:1 kilowatt-hour or monetary credit at the time of application. For the purposes of this subsection, "kilowatt-hour supply charges" means the kilowatt-hour equivalent values for energy, capacity, transmission, and the purchased energy adjustment, if applicable. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis. The electricity provider shall continue to carry over any excess kilowatt-hour or monetary energy credits earned and apply those credits to subsequent billing periods. For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the Commission for review, modification, and approval.

(C) (Blank).

(2) An electricity provider shall charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric supply

service is provided based on hourly pricing in the following manner:

(A) If the amount of electricity used by the customer during any hourly period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in paragraph (3) of this subsection (n).

(B) If the amount of electricity produced by a customer during any hourly period exceeds the amount of electricity used by the customer during that hourly period, the energy provider shall calculate an energy credit for the net kilowatt-hours produced in such period, and shall apply that credit as a monetary credit to the customer's subsequent bill. The value of the energy credit shall be calculated using the same price per kilowatt-hour as the electric service provider would charge for kilowatt-hour energy sales during that same hourly period and shall also include values for capacity and transmission. For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the

Commission for review, modification, and approval. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis.

(3) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the contract or tariff to which the same customer would be assigned or be eligible for if the customer was not a net metering customer. An electricity provider shall not charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. The customer remains responsible for the gross amount of delivery services charges, supply-related charges that are kilowatt based, and all taxes and fees related to such charges. The customer also remains responsible for all taxes and fees

that would otherwise be applicable to the net amount of electricity used by the customer. Paragraphs (1) and (2) of this subsection (n) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the appropriate metering equipment for non-residential customers. Nothing in this paragraph (3) shall be interpreted to mandate that a utility that is only required to provide delivery services to a given customer must also sell electricity to such customer.

(o) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility subject to this Section shall file a tariff, which shall, consistent with the provisions of this Section, propose the terms and conditions under which a customer may participate in net metering. The tariff for electric utilities serving more than 200,000 customers as of January 1, 2021 shall also provide a streamlined and transparent bill crediting system for net metering to be managed by the electric utilities. The terms and conditions shall include, but are not limited to, that an electric utility shall manage and maintain billing of net metering credits and charges regardless of if the eligible customer takes net metering under an electric utility or alternative retail electric supplier. The electric utility serving more than 200,000 customers as of January 1, 2021 shall process and approve all net metering applications, even if an eligible customer is served by an alternative retail electric supplier; and the utility shall forward application approval to the appropriate alternative retail electric supplier. Eligibility for net metering shall remain with the owner of the utility billing address such that, if an eligible renewable electrical generating facility changes ownership, the net metering eligibility transfers to the new owner. The electric utility serving more than 200,000 customers as of January 1, 2021 shall manage net metering billing for eligible customers to ensure full crediting occurs on electricity bills, including, but not limited to, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address. All transfers referenced in the preceding sentence shall include transfer of all banked credits. All electric utilities serving 200,000 or fewer customers as of January 1, 2021 shall manage net metering billing for eligible customers receiving power and energy service from the electric utility to ensure full crediting occurs on electricity bills, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address. Alternative retail electric suppliers providing power and energy service to eligible customers located within the service territory of an electric utility serving 200,000 or fewer customers as of January 1, 2021 shall manage net metering billing for eligible customers to ensure full crediting occurs on electricity bills, including, but not limited to, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address.

(Source: P.A. 102-662, eff. 9-15-21.)

(Text of Section after amendment by P.A. 104-458)

Sec. 16-107.5. Net electricity metering.

(a) The General Assembly finds and declares that a program to provide net electricity metering, as defined in this Section, for eligible customers can encourage private investment in renewable energy resources, stimulate economic growth, enhance the continued diversification of Illinois' energy resource mix, and protect the Illinois environment. Further, to achieve the goals of this Act that robust options for customer-site distributed generation and storage continue to thrive in Illinois, the General Assembly finds that a predictable transition must be ensured for customers between full net metering at the retail electricity rate to the distribution generation rebate described in Section 16-107.6.

(b) As used in this Section:

(i) "Community renewable generation project" shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

(ii) "Eligible customer" means a retail customer that owns, hosts, or operates, including any third-party owned systems, a solar, wind, or other eligible renewable electrical generating facility or an eligible storage device that is located on the customer's premises or customer's side of the billing meter and is intended primarily to offset the customer's own current or future electrical requirements.

(iii) "Electricity provider" means an electric utility or alternative retail electric supplier.

(iv) "Eligible renewable electrical generating facility" means a generator, which may include the colocation of an energy storage system, that is interconnected under rules adopted by the Commission and is powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated and unadulterated wood waste, livestock manure, anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy.

(v) "Net electricity metering" (or "net metering") means the measurement, during the billing period applicable to an eligible customer, of the net amount of electricity supplied by an electricity provider to the customer or provided to the electricity provider by the customer or subscriber.

(vi) "Subscriber" shall have the meaning as set forth in Section 1-10 of the Illinois Power Agency Act.

(vii) "Subscription" shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

(viii) "Energy storage system" means commercially available technology that is capable of absorbing energy and storing it for a period of time for use at a later time, including, but not limited to, electrochemical, thermal, and electromechanical technologies, and may be interconnected behind the customer's meter or interconnected behind its own meter.

(ix) "Future electrical requirements" means modeled electrical requirements upon occupation of a new or vacant property, and other reasonable expectations of future electrical use, as well as, for occupied properties, a reasonable approximation of the annual load of 2 electric vehicles and, for non-electric heating customers, a reasonable approximation of the incremental electric load associated with fuel switching. The approximations shall be applied to the appropriate net metering tariff and do not need to be unique to each individual eligible customer. The utility shall submit these approximations to the Commission for review, modification, and approval.

(x) "Vehicle storage system" means a vehicle that when connected to an electric utility's distribution system is capable of being an energy storage system~~, as defined in Section 16-107.6~~.

(c) A net metering facility shall be equipped with metering equipment that can measure the flow of electricity in both directions at the same rate.

(1) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished through use of a single, bi-directional meter. If the eligible customer's existing electric revenue meter does not meet this requirement, the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of

this Act.

(2) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished through use of a dual channel meter capable of measuring the flow of electricity both into and out of the customer's facility at the same rate and ratio. If such customer's existing electric revenue meter does not meet this requirement, then the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of this Act.

(3) For all other eligible customers, until such time as the local electric utility installs a smart meter, as described by subsection (b) of Section 16-108.5 of this Act, the electricity provider may arrange for the local electric utility or a meter service provider to install and maintain metering equipment capable of measuring the flow of electricity both into and out of the customer's facility at the same rate and ratio, typically through the use of a dual channel meter. If the eligible customer's

existing electric revenue meter does not meet this requirement, then the costs of installing such equipment shall be paid for by the customer.

(d) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in subsection (e-5) of this Section.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of electricity used by the customer during that billing period, the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour credit to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to

subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.

(d-5) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is provided based on hourly pricing or time-of-use rates in the following manner:

(1) If the amount of electricity used by the customer during any hourly period or time-of-use period exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the contract or tariff to which the same customer would be assigned to or be eligible for if the customer was not a net metering customer.

(2) If the amount of electricity produced by a customer during any hourly period or time-of-use period exceeds the amount of electricity used by the customer during that hourly period or time-of-use period, the energy provider shall apply a credit for the net kilowatt-hours produced in such period. The credit shall consist of an energy credit and a delivery service credit. The energy credit shall be valued at the same price per kilowatt-hour as the electric service provider would charge for kilowatt-hour energy sales during that same hourly period or time-of-use period. The delivery credit shall be equal to the net kilowatt-hours produced in such hourly period or time-of-use period times a credit that reflects all kilowatt-hour based charges in the customer's electric service rate, excluding energy charges.

(e) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity

supplied to and used by the customer as provided in subsection (e-5) of this Section. The customer shall remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of electricity used by the customer during that billing period, then the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour credit that reflects the kilowatt-hour based charges in the customer's electric service rate to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.

(e-5) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall not charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. The customer will remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer. Subsections (c) through (e) of this Section shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the appropriate metering equipment for non-residential customers.

(f) Notwithstanding the requirements of subsections (c) through (e-5) of this Section, an electricity provider must require dual-channel metering for customers operating eligible renewable electrical generating facilities to whom the provisions of neither subsection (d), (d-5), nor (e) of this Section apply. In such cases, electricity charges and credits shall be determined as follows:

(1) The electricity provider shall assess and the customer remains responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the gross amount of kilowatt-hours supplied to the eligible customer by the electricity provider.

(2) Each month that service is supplied by means of dual-channel metering, the electricity provider shall compensate the eligible customer for any excess kilowatt-hour credits at the electricity provider's avoided cost of electricity supply over the monthly period or as otherwise specified by the terms of a power-purchase agreement negotiated between the customer and electricity provider.

(3) For all eligible net metering customers taking service from an electricity provider under contracts or tariffs employing hourly or time-of-use rates, any monthly consumption of electricity shall be calculated according to the terms of the contract or tariff to which the same customer would be assigned to or be eligible for if the customer was not a net metering customer. When those same customer-generators are net generators during any discrete hourly or time-of-use period, the net kilowatt-hours produced shall be valued at the same price per kilowatt-hour as the electric service provider would charge for retail kilowatt-hour sales during that same

time-of-use period.

(g) For purposes of federal and State laws providing renewable energy credits or greenhouse gas credits, the eligible customer shall be treated as owning and having title to the renewable energy attributes, renewable energy credits, and greenhouse gas emission credits related to any electricity produced by the qualified generating unit. The electricity provider may not condition participation in a net metering program on the signing over of a customer's renewable energy credits; provided, however, this subsection (g) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth the ownership or title of the credits.

(h) Within 120 days after the effective date of this amendatory Act of the 95th General Assembly, the Commission shall establish standards for net metering and, if the Commission has not already acted on its own initiative, standards for the interconnection of eligible renewable generating equipment to the utility system. The interconnection standards shall address any procedural barriers, delays, and administrative costs associated with the interconnection of customer-generation while ensuring the safety and reliability of the units and the electric utility system. The Commission shall consider the Institute of Electrical and Electronics Engineers (IEEE) Standard 1547 and the issues of (i) reasonable and fair fees and costs, (ii) clear timelines for major milestones in the interconnection process, (iii) nondiscriminatory terms of agreement, and (iv) any best practices for interconnection of distributed generation.

(i) All electricity providers shall begin to offer net metering no later than April 1, 2008.

(j) An electricity provider shall provide net metering to eligible customers according to subsections (d), (d-5), and (e). Eligible renewable electrical generating facilities for which eligible customers registered for net metering before January 1, 2025 shall continue to receive net metering services according to subsections (d), (d-5), and (e) of this Section for the lifetime of the system, regardless of whether those retail customers change electricity providers or whether the retail customer benefiting from the system changes. On and after January 1, 2025, any eligible customer that applies for net metering and previously would have qualified under subsections (d), (d-5), or (e) shall only be eligible for net metering as described in subsection (n).

(k) Each electricity provider shall maintain records and report annually to the Commission the total number of net metering customers served by the provider, as well as the type, capacity, and energy sources of the generating systems used by the net metering customers. Nothing in this Section shall limit the ability of an electricity provider to request the redaction of information deemed by the Commission to be confidential business information.

(l)(1) Notwithstanding the definition of "eligible customer" in item (ii) of subsection (b) of this Section, each electricity provider shall allow net metering as set forth in this subsection (l) and for the following projects, provided that only electric utilities serving more than 200,000 customers as of January 1, 2021 shall provide net metering for projects that are eligible for subparagraph (C) of this paragraph (1) and have energized after the effective date of this amendatory Act of the 102nd General Assembly:

(A) properties owned or leased by multiple customers that contribute to the operation of an eligible renewable electrical generating facility through an ownership or leasehold interest of at least 200 watts in such facility, such as a community-owned wind project, a community-owned biomass project, a community-owned solar project, or a community methane digester processing livestock waste from multiple sources, provided that the facility is also located within the utility's service territory;

(B) individual units, apartments, or properties located in a single building that are owned or leased by multiple customers and collectively served by a common eligible renewable electrical generating facility, such as an office or apartment building, a shopping center or strip mall served by photovoltaic panels on the roof; and

(C) subscriptions to community renewable generation projects, including community renewable generation projects on the customer's side of the billing meter of a host facility and partially used for the customer's own load.

In addition, the nameplate capacity of the eligible renewable electric generating facility that serves the demand of the properties, units, or apartments identified in paragraphs (1) and (2) of this subsection (l) shall not exceed 5,000 kilowatts in nameplate capacity in total. Any eligible renewable electrical generating facility or community renewable generation project that is powered by photovoltaic electric energy and installed after the effective date of this amendatory Act of the 99th General Assembly must be installed by a qualified person in compliance with the requirements of Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder.

(2) Notwithstanding anything to the contrary, an electricity provider shall provide credits for the electricity produced by the projects described in paragraph (1) of this subsection (l). The electricity provider shall provide credits that include at least energy supply, capacity, transmission, and, if applicable, the purchased energy adjustment on the subscriber's monthly bill equal to the subscriber's share of the production of electricity from the project, as determined by paragraph (3) of this subsection (l). For customers with transmission or capacity charges not charged on a

kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the Commission for review, modification, and approval. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis.

(3) Notwithstanding anything to the contrary and regardless of whether a subscriber to an eligible community renewable generation project receives power and energy service from the electric utility or an alternative retail electric supplier, for projects eligible under paragraph (C) of subparagraph (1) of this subsection (l), electric utilities serving more than 200,000 customers as of January 1, 2021 shall provide the monetary credits to a subscriber's subsequent bill for the electricity produced by community renewable generation projects. The electric utility shall provide monetary credits to a subscriber's subsequent bill at the utility's total price to compare equal to the subscriber's share of the production of electricity from the project, as determined by paragraph (5) of this subsection (l). For the purposes of this subsection, "total price to compare" means the rate or rates published by the Illinois Commerce Commission for energy supply for eligible customers receiving supply service from the electric utility, and shall include

energy, capacity, transmission, and the purchased energy adjustment. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis. Any applicable credit or reduction in load obligation from the production of the community renewable generating projects receiving a credit under this subsection shall be credited to the electric utility to offset the cost of providing the credit. To the extent that the credit or load obligation reduction does not completely offset the cost of providing the credit to subscribers of community renewable generation projects as described in this subsection, the electric utility may recover the remaining costs through its Multi-Year Rate Plan. All electric utilities serving 200,000 or fewer customers as of January 1, 2021 shall only provide the monetary credits to a subscriber's subsequent bill for the electricity produced by community renewable generation projects if the subscriber receives power and energy service from the electric utility. Alternative retail electric suppliers providing power and energy service to a subscriber located within the service territory of an electric utility not subject to Sections 16-108.18 and 16-118 shall provide the monetary credits to the subscriber's subsequent bill for the electricity produced by community renewable generation projects.

(4) If requested by the owner or operator of a community

renewable generating project, an electric utility serving more than 200,000 customers as of January 1, 2021 shall enter into a net crediting agreement with the owner or operator to include a subscriber's subscription fee on the subscriber's monthly electric bill and provide the subscriber with a net credit equivalent to the total bill credit value for that generation period minus the subscription fee, provided the subscription fee is structured as a fixed percentage of bill credit value. The net crediting agreement shall set forth payment terms from the electric utility to the owner or operator of the community renewable generating project, and the electric utility may charge a net crediting fee to the owner or operator of a community renewable generating project that may not exceed 1% of the subscription fee. Notwithstanding anything to the contrary, an electric utility serving 200,000 customers or fewer as of January 1, 2021 shall not be obligated to enter into a net crediting agreement with the owner or operator of a community renewable generating project. An electric utility shall use the same net crediting format for subscribers on payment plans and subscribers participating in budget billing programs. For the purposes of this paragraph (4), "net crediting" means a program offered by an electric utility under which the electric utility, upon authorization by or on behalf of a subscriber, remits the cash value of the subscription fee to the owner or operator of the community renewable generation facility without regard to whether the subscriber has paid the subscriber's monthly electric bill and places the cash value of the remaining bill credit on the subscriber's bill.

(5) For the purposes of facilitating net metering, the owner or operator of the eligible renewable electrical generating facility or community renewable generation project shall be responsible for determining the amount of the credit that each customer or subscriber participating in a project under this subsection (l) is to receive in the following manner:

(A) The owner or operator shall, on a monthly basis, provide to the electric utility the kilowatthours of generation attributable to each of the utility's retail customers and subscribers participating in projects under this subsection (l) in accordance with the customer's or subscriber's share of the eligible renewable electric generating facility's or community renewable generation project's output of power and energy for such month. The owner or operator shall electronically transmit such calculations and associated documentation to the electric utility, in a format or method set forth in the applicable tariff, on a monthly basis so that the electric utility can reflect the monetary credits on customers' and subscribers' electric utility bills. The electric utility shall be permitted to revise its tariffs to implement the provisions of this amendatory Act of the 102nd General

Assembly. The owner or operator shall separately provide the electric utility with the documentation detailing the calculations supporting the credit in the manner set forth in the applicable tariff.

(B) For those participating customers and subscribers who receive their energy supply from an alternative retail electric supplier, the electric utility shall remit to the applicable alternative retail electric supplier the information provided under subparagraph (A) of this paragraph (3) for such customers and subscribers in a manner set forth in such alternative retail electric supplier's net metering program, or as otherwise agreed between the utility and the alternative retail electric supplier. The alternative retail electric supplier shall then submit to the utility the amount of the charges for power and energy to be applied to such customers and subscribers, including the amount of the credit associated with net metering.

(C) A participating customer or subscriber may provide authorization as required by applicable law that directs the electric utility to submit information to the owner or operator of the eligible renewable electrical generating facility or community renewable generation project to which the customer or subscriber has an ownership or leasehold interest or a subscription. Such information shall be limited to the components of the net metering credit calculated under this subsection (l), including the bill credit rate, total kilowatthours, and total monetary credit value applied to the customer's or subscriber's bill for the monthly billing period.

(l-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility subject to this Section shall file a tariff or tariffs to implement the provisions of subsection (l) of this Section, which shall, consistent with the provisions of subsection (l), describe the terms and conditions under which owners or operators of qualifying properties, units, or apartments may participate in net metering. The Commission shall approve, or approve with modification, the tariff within 120 days after the effective date of this amendatory Act of the 102nd General Assembly.

(l-10) Within 30 days after the effective date of this amendatory Act of the 104th General Assembly, each electricity provider shall modify its tariffs to allow net metering as set forth in this subsection for an energy storage system or vehicle storage system energized after the effective date of this amendatory Act of the 104th General Assembly with a nameplate capacity of not more than 5,000 kilowatts. If the Commission chooses to suspend the modified tariffs, the Commission shall issue a final order approving, or approving with modification, the modified tariffs no later than 90 days after the Commission initiates the docket.

An energy storage system or vehicle storage system eligible for net metering under this subsection may be interconnected behind the meter of a retail customer or at the distribution system level of an electric utility as follows:

(A) if the energy storage system or vehicle storage system is interconnected behind the meter of a retail customer, in order to receive net metering under this subsection, the eligible customer behind whose meter the energy storage system is interconnected must receive service from an electricity provider under an hourly supply tariff, a time-of-use supply tariff, or a time-of-use contract with an alternative retail electric supplier; or

(B) if the energy storage system or vehicle storage system is interconnected at the distribution system level of an electric utility and not behind the meter of a retail customer, the energy storage system or vehicle storage system must receive service from an electricity provider as a retail customer under an hourly supply tariff authorized by Section 16-107, a supply tariff or contract on substantially similar terms and conditions with an alternative retail electric supplier, a time-of-use supply tariff, or a time-of-use supply contract with an alternative retail electric supplier.

If the energy storage system or vehicle storage system is interconnected behind the meter of an eligible customer, the eligible customer shall receive net metering based on hourly or time-of-use rates in accordance with the terms of subsection (d-5) or (f) or paragraph (2) of subsection (n) of this Section, as applicable to the eligible customer. If the energy storage system or vehicle storage system is interconnected at the distribution system level of an electric utility and not behind the meter of a retail customer, then the energy storage system or vehicle storage system shall receive net metering pursuant to the terms of subsection (f) of this Section.

(m) Nothing in this Section shall affect the right of an electricity provider to continue to provide, or the right of a retail customer to continue to receive service pursuant to a contract for electric service between the electricity provider and the retail customer in accordance with the prices, terms, and conditions provided for in that contract. Either the electricity provider or the customer may require compliance with the prices, terms, and conditions of the contract.

(n) On and after January 1, 2025, the net metering services described in subsections (d), (d-5), and (e) of this Section shall no longer be offered, except as to those eligible renewable electrical generating facilities for which retail customers are receiving net metering service under these subsections at the time the net metering services under those subsections are no longer offered; those systems shall continue to receive net metering services described in subsections (d), (d-5), and (e) of this Section for the lifetime of the system, regardless of if those retail customers change electricity providers or whether the retail customer benefiting from the system changes. The electric utility serving more than 200,000 customers as of January 1, 2021 is responsible for ensuring the billing credits continue without lapse for the lifetime of systems, as required in subsection (o). Those retail customers that begin taking net metering service after the date that net metering services are no longer offered under such subsections shall be subject to the provisions set forth in the following paragraphs (1) through (3) of this subsection (n):

(1) An electricity provider shall charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric supply service is not provided based on hourly pricing in the following manner:

(A) If the amount of electricity used by the customer during the monthly billing period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net kilowatt-hour based electricity charges reflected in the customer's electric service rate supplied to and used by the customer as provided in paragraph (3) of this subsection (n).

(B) If the amount of electricity produced by a customer during the monthly billing period exceeds the amount of electricity used by the customer during that billing period, then the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour energy or monetary credit kilowatt-hour supply charges to the customer's subsequent bill. The customer shall choose between 1:1 kilowatt-hour or monetary credit at the time of application. For the purposes of this subsection, "kilowatt-hour supply charges" means the kilowatt-hour equivalent values for energy, capacity, transmission, and the purchased energy adjustment, if applicable. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis. The electricity provider shall continue to carry over any excess kilowatt-hour or monetary energy credits earned and apply those credits to subsequent billing periods. For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the Commission for review, modification, and approval.

(C) (Blank).

(2) An electricity provider shall charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric supply service is provided based on hourly pricing in the following manner:

(A) If the amount of electricity used by the customer during any hourly period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in paragraph (3) of this subsection (n).

(B) If the amount of electricity produced by a customer during any hourly period exceeds the amount of electricity used by the customer during that hourly period, the energy provider shall calculate an energy credit for the net kilowatt-hours produced in such period, and shall apply that credit as a monetary credit to the customer's subsequent bill. The value of the energy credit shall be calculated using the same price per kilowatt-hour as the electric service provider would charge for kilowatt-hour energy sales during that same hourly period and shall also include values for capacity and transmission. For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the Commission for review, modification, and approval. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis.

(3) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the contract or tariff to which the same customer would be assigned or be eligible for if the customer was not a net metering customer. An electricity provider shall not charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. The customer remains responsible for the gross amount of delivery

services charges, supply-related charges that are kilowatt based, and all taxes and fees related to such charges. The customer also remains responsible for all taxes and fees that would otherwise be applicable to the net amount of electricity used by the customer. Paragraphs (1) and (2) of this subsection (n) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the appropriate metering equipment for non-residential customers. Nothing in this paragraph (3) shall be interpreted to mandate that a utility that is only required to provide delivery services to a given customer must also sell electricity to such customer.

(o) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility subject to this Section shall file a tariff, which shall, consistent with the provisions of this Section, propose the terms and conditions under which a customer may participate in net metering. The tariff for electric utilities serving more than 200,000 customers as of January 1, 2021 shall also provide a streamlined and transparent bill crediting system for net metering to be managed by the electric utilities. The terms and conditions shall include, but are not limited to, that an electric utility shall manage and maintain billing of net metering credits and charges regardless of if the eligible customer takes net metering under an electric utility or alternative retail electric supplier. The electric utility serving more than 200,000 customers as of January 1, 2021 shall process and approve all net metering applications, even if an eligible customer is served by an alternative retail electric supplier; and the utility shall forward application approval to the appropriate alternative retail electric supplier. Eligibility for net metering shall remain with the owner of the utility billing address such that, if an eligible renewable electrical generating facility changes ownership, the net metering eligibility transfers to the new owner. The electric utility serving more than 200,000 customers as of January 1, 2021 shall manage net metering billing for eligible customers to ensure full crediting occurs on electricity bills, including, but not limited to, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address. All transfers referenced in the preceding sentence shall include transfer of all banked credits. All electric utilities serving 200,000 or fewer customers as of January 1, 2021 shall manage net metering billing for eligible customers receiving power and energy service from the electric utility to ensure full crediting occurs on electricity bills, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address. Alternative retail electric suppliers providing power and energy service to eligible customers located within the service territory of an electric utility serving 200,000 or fewer customers as of January 1, 2021 shall manage net metering billing for eligible customers to ensure full crediting occurs on electricity bills, including, but not limited to, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address.

(Source: P.A. 104-458, eff. 6-1-26.)"; and

on page 96, line 23, by replacing "and" with "~~and~~"; and

on page 96, line 25, by replacing "meter" with "meter, and is permanently fixed to the distribution grid and capable of discharging to the distribution grid"; and on page 114, immediately below line 18, by inserting the following:

"(m) A vehicle storage system, as defined in Section 16-107.5, is not eligible for a rebate under this Section.".