



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1386

Introduced 2/21/2007, by Rep. Carolyn H. Krause

SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-107.5 new

Amends the Public Utilities Act. Provides that an electric utility must establish a net metering program for its retail customers that own and operate facilities or equipment that utilize renewable energy resources installed on their premises. Provides that the net metering program shall have a maximum program limit of either 0.1% of the utility's previous year's peak demand (measured in kilowatts (kW)), or 100 kW, whichever is greater. Provides that a utility that seeks an alternative maximum program limit, adjusted as either higher or lower, shall request and obtain approval from the Illinois Commerce Commission prior to implementing any other program limit. Provides that a utility may expand eligibility in its net metering program to other energy conversion technologies and shall identify those other technologies it seeks to include in the program and receive approval from the Commission prior to expanding eligibility. Provides that the program shall be open for customer enrollment for a period of at least 5 years and customers that enroll shall be eligible to continue their participation for a period of at least 10 years. Provides that a participating customer may terminate his or her participation in the program at any time for any reason. Provides that an electric utility shall report the results of its program to the Commission by July 1, 2009 and that the Commission shall provide a summary and an analysis of the reports to the General Assembly no later than October 1, 2009. Effective immediately.

LRB095 08787 MJR 28972 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding
5 Section 16-107.5 as follows:

6 (220 ILCS 5/16-107.5 new)

7 Sec. 16-107.5. Net electricity metering program.

8 (a) The Legislature finds and declares that a pilot program
9 to provide net energy metering, as defined in this Section, for
10 eligible customers can encourage private investment in
11 renewable energy resources, stimulate economic growth,
12 potentially reduce consumers' electric costs, enhance the
13 continued diversification of Illinois' energy resource mix,
14 and protect the Illinois environment.

15 (b) For purposes of this Section:

16 "Eligible customer" means a retail residential or business
17 customer that owns and operates a solar or wind electrical
18 generating facility with a capacity of not more than 40
19 kilowatts that is located on the customer's premises and is
20 intended primarily to offset part or all of the customer's own
21 electrical requirements.

22 "Net energy consumption" means that during a billing period
23 the amount of energy delivered by the utility and used by the

1 retail customer, minus the amount of energy, if any, generated
2 by the retail customer and delivered to the utility at the
3 location of the eligible unit.

4 "Net metering" means the accounting mechanism whereby
5 retail electric utility customers that generate a portion or
6 all of their own retail electricity needs are billed by their
7 electric utility only for their net energy consumption during a
8 billing period.

9 "Renewable energy resource" means energy generated by
10 solar, wind, geothermal, biomass, including waste-to-energy
11 and landfill gas, hydroelectric, or fuel cells.

12 (c) An electric utility shall offer a net metering program
13 with a maximum program limit of either 0.1% of the utility's
14 previous year's peak demand (measured in kilowatts (kW)), or
15 100 kW, whichever is greater. A utility that seeks an
16 alternative maximum program limit, adjusted as either higher or
17 lower, shall request and obtain Commission approval prior to
18 implementing any other program limit.

19 (d) The maximum size of electric generators eligible for
20 net metering shall be either less than 30kW or a utility may
21 voluntarily set its limit at less than 150 kW. Customer
22 generation systems shall also be limited in size and shall not
23 exceed the customer's self-service needs.

24 (e) The net metering program shall be open to all electric
25 generating technologies that qualify as renewable energy
26 resources. A utility may expand eligibility in its net metering

1 program to other energy conversion technologies. The utility
2 shall identify those other technologies it seeks to include in
3 the program and receive approval from the Commission prior to
4 expanding eligibility.

5 (f) Eligibility in the program shall be limited to
6 customers of the utility. The eligible facilities or equipment
7 must be installed on the customer's premises.

8 (g) The program shall be open for customer enrollment for a
9 period of at least 5 years and customers that enroll shall be
10 eligible to continue their participation for a period of at
11 least 10 years. A participating customer may terminate his or
12 her participation in the program at any time for any reason.

13 (h) An electric utility shall report the results of its
14 program to the Commission by July 1, 2009. The Commission shall
15 provide a summary and an analysis of the reports to the General
16 Assembly no later than October 1, 2009.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.