

HB5567



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB5567

by Rep. Elizabeth Coulson

SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-107.5

Amends the Public Utilities Act. Adds language providing that "electric provider" includes an electric cooperative or municipality that owns and operates its own electric distribution system. Provides that for non-residential customers, the electricity provider may arrange for the local electric provider (instead of 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.

LRB095 17877 MJR 43957 b

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 changing
5 Section 16-107.5 as follows:

6 (220 ILCS 5/16-107.5)

7 Sec. 16-107.5. Net electricity metering.

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

14 (b) As used in this Section, (i) "eligible customer" means
15 a retail customer that owns or operates a solar, wind, or other
16 eligible renewable electrical generating facility with a rated
17 capacity of not more than 2,000 kilowatts that is located on
18 the customer's premises and is intended primarily to offset the
19 customer's own electrical requirements; (ii) "electricity
20 provider" means an electric utility, electric cooperative,
21 municipality that owns and operates its own electric
22 distribution system, or alternative retail electric supplier;
23 (iii) "eligible renewable electrical generating facility"

1 means a generator powered by solar electric energy, wind,
2 dedicated crops grown for electricity generation, anaerobic
3 digestion of livestock or food processing waste, fuel cells or
4 microturbines powered by renewable fuels, or hydroelectric
5 energy; and (iv) "net electricity metering" (or "net metering")
6 means the measurement, during the billing period applicable to
7 an eligible customer, of the net amount of electricity supplied
8 by an electricity provider to the customer's premises or
9 provided to the electricity provider by the customer.

10 (c) A net metering facility shall be equipped with metering
11 equipment that can measure the flow of electricity in both
12 directions at the same rate. For eligible residential
13 customers, this shall typically be accomplished through use of
14 a single, bi-directional meter. If the eligible customer's
15 existing electric revenue meter does not meet this requirement,
16 the electricity provider shall arrange for the local electric
17 utility or a meter service provider to install and maintain a
18 new revenue meter at the electricity provider's expense. For
19 non-residential customers, the electricity provider may
20 arrange for the local electric provider ~~utility~~ or a meter
21 service provider to install and maintain metering equipment
22 capable of measuring the flow of electricity both into and out
23 of the customer's facility at the same rate and ratio,
24 typically through the use of a dual channel meter. For
25 generators with a nameplate rating of 40 kilowatts and below,
26 the costs of installing such equipment shall be paid for by the

1 electricity provider. For generators with a nameplate rating
2 over 40 kilowatts and up to 2,000 kilowatts capacity, the costs
3 of installing such equipment shall be paid for by the customer.
4 Any subsequent revenue meter change necessitated by any
5 eligible customer shall be paid for by the customer.

6 (d) An electricity provider shall measure and charge or
7 credit for the net electricity supplied to eligible customers
8 or provided by eligible customers in the following manner:

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

15 (2) If the amount of electricity produced by a customer
16 during the billing period exceeds the amount of electricity
17 used by the customer during that billing period, the
18 electricity provider supplying that customer shall apply a
19 1:1 kilowatt-hour credit to a subsequent bill for service
20 to the customer for the net electricity supplied to the
21 electricity provider. The electricity provider shall
22 continue to carry over any excess kilowatt-hour credits
23 earned and apply those credits to subsequent billing
24 periods to offset any customer-generator consumption in
25 those billing periods until all credits are used or until
26 the end of the annualized period.

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

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

1 non-residential customers.

2 (f) Notwithstanding the requirements of subsections (c)
3 through (e) of this Section, an electricity provider must
4 require dual-channel metering for non-residential customers
5 operating eligible renewable electrical generating facilities
6 with a nameplate rating over 40 kilowatts and up to 2,000
7 kilowatts. In such cases, electricity charges and credits shall
8 be determined as follows:

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

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

22 (3) For all eligible net metering customers taking
23 service from an electricity provider under contracts or
24 tariffs employing time of use rates, any monthly
25 consumption of electricity shall be calculated according
26 to the terms of the contract or tariff to which the same

1 customer would be assigned to or be eligible for if the
2 customer was not a net metering customer. When those same
3 customer-generators are net generators during any discrete
4 time of use period, the net kilowatt-hours produced shall
5 be valued at the same price per kilowatt-hour as the
6 electric service provider would charge for retail
7 kilowatt-hour sales during that same time of use period.

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

20 (h) Within 120 days after the effective date of this
21 amendatory Act of the 95th General Assembly, the Commission
22 shall establish standards for net metering and, if the
23 Commission has not already acted on its own initiative,
24 standards for the interconnection of eligible renewable
25 generating equipment to the utility system. The
26 interconnection standards shall address any procedural

1 barriers, delays, and administrative costs associated with the
2 interconnection of customer-generation while ensuring the
3 safety and reliability of the units and the electric utility
4 system. The Commission shall consider the Institute of
5 Electrical and Electronics Engineers (IEEE) Standard 1547 and
6 the issues of (i) reasonable and fair fees and costs, (ii)
7 clear timelines for major milestones in the interconnection
8 process, (iii) nondiscriminatory terms of agreement, and (iv)
9 any best practices for interconnection of distributed
10 generation.

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

13 (j) An electricity provider shall provide net metering to
14 eligible customers until the load of its net metering customers
15 equals 1% of the total peak demand supplied by that electricity
16 provider during the previous year. Electricity providers are
17 authorized to offer net metering beyond the 1% level if they so
18 choose. The number of new eligible customers with generators
19 that have a nameplate rating of 40 kilowatts and below will be
20 limited to 200 total new billing accounts for the utilities
21 (Ameren Companies, ComEd, and MidAmerican) for the period of
22 April 1, 2008 through March 31, 2009.

23 (k) Each electricity provider shall maintain records and
24 report annually to the Commission the total number of net
25 metering customers served by the provider, as well as the type,
26 capacity, and energy sources of the generating systems used by

1 the net metering customers. Nothing in this Section shall limit
2 the ability of an electricity provider to request the redaction
3 of information deemed by the Commission to be confidential
4 business information. Each electricity provider shall notify
5 the Commission when the total generating capacity of its net
6 metering customers is equal to or in excess of the 1% cap
7 specified in subsection (j) of this Section.

8 (1) Notwithstanding the definition of "eligible customer"
9 in item (i) of subsection (b) of this Section, each electricity
10 provider shall consider whether to allow meter aggregation for
11 the purposes of net metering on:

12 (1) properties owned or leased by multiple customers
13 that contribute to the operation of an eligible renewable
14 electrical generating facility, such as a community-owned
15 wind project or a community methane digester processing
16 livestock waste from multiple sources; and

17 (2) individual units, apartments, or properties owned
18 or leased by multiple customers and collectively served by
19 a common eligible renewable electrical generating
20 facility, such as an apartment building served by
21 photovoltaic panels on the roof.

22 For the purposes of this subsection (1), "meter
23 aggregation" means the combination of reading and billing on a
24 pro rata basis for the types of eligible customers described in
25 this Section.

26 (m) Nothing in this Section shall affect the right of an

1 electricity provider to continue to provide, or the right of a
2 retail customer to continue to receive service pursuant to a
3 contract for electric service between the electricity provider
4 and the retail customer in accordance with the prices, terms,
5 and conditions provided for in that contract. Either the
6 electricity provider or the customer may require compliance
7 with the prices, terms, and conditions of the contract.

8 (Source: P.A. 95-420, eff. 8-24-07.)