



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1913

by Rep. Karen May

SYNOPSIS AS INTRODUCED:

220 ILCS 5/16-107.5

Amends the Public Utilities Act. Changes the definitions of "eligible customer" and "eligible renewable electrical generating facility" as used in certain provisions concerning net electricity metering. Deletes a provision allowing the electricity provider, in the case of non-residential customers, to 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. Deletes a provision that requires an electricity provider to require dual-channel metering for non-residential customers operating eligible renewable electrical generating facilities with a nameplate rating over 40 kilowatts and up to 2,000 kilowatts. Provides that an electricity provider shall provide net metering to eligible customers until the load of its net metering customers equals 5% (instead of 1%) of the total peak demand supplied by that electricity provider during the previous year. Provides that each electricity provider shall (rather than shall consider whether to) allow meter aggregation for the purposes of net metering on certain properties. Provides that meter aggregation shall be allowed whether the eligible renewable energy generating device is located on the premises of the eligible customer or is interconnected to the distribution grid of the eligible customer's electricity provider or alternative retail electric supplier. Provides that meter aggregation shall be subject to the terms and conditions approved by the Illinois Commerce Commission. Makes other changes.

LRB097 10567 ASK 50915 b

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 or is interconnected to the
19 distribution grid of the customer's electricity provider or
20 alternative retail electric supplier and is intended primarily
21 to offset the customer's own electrical requirements; (ii)
22 "electricity provider" means an electric utility or
23 alternative retail electric supplier; (iii) "eligible

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

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

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

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

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

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

1 periods to offset any customer-generator consumption in
2 those billing periods until all credits are used or until
3 service is terminated ~~or until the end of the annualized~~
4 ~~period.~~

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

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

1 electricity provider and an eligible customer that sets forth
2 different prices, terms, and conditions for the provision of
3 net metering service, including, but not limited to, the
4 provision of the appropriate metering equipment for
5 non-residential customers.

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

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

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

26 ~~(3) For all eligible net metering customers taking~~

1 service from an electricity provider under contracts or
2 tariffs employing time of use rates, any monthly
3 consumption of electricity shall be calculated according
4 to the terms of the contract or tariff to which the same
5 customer would be assigned to or be eligible for if the
6 customer was not a net metering customer. When those same
7 customer-generators are net generators during any discrete
8 time of use period, the net kilowatt-hours produced shall
9 be valued at the same price per kilowatt-hour as the
10 electric service provider would charge for retail
11 kilowatt-hour sales during that same time of use period.

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

24 (h) Within 120 days after the effective date of this
25 amendatory Act of the 95th General Assembly, the Commission
26 shall establish standards for net metering and, if the

1 Commission has not already acted on its own initiative,
2 standards for the interconnection of eligible renewable
3 generating equipment to the utility system. The
4 interconnection standards shall address any procedural
5 barriers, delays, and administrative costs associated with the
6 interconnection of customer-generation while ensuring the
7 safety and reliability of the units and the electric utility
8 system. The Commission shall consider the Institute of
9 Electrical and Electronics Engineers (IEEE) Standard 1547 and
10 the issues of (i) reasonable and fair fees and costs, (ii)
11 clear timelines for major milestones in the interconnection
12 process, (iii) nondiscriminatory terms of agreement, and (iv)
13 any best practices for interconnection of distributed
14 generation.

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

17 (j) An electricity provider shall provide net metering to
18 eligible customers until the load of its net metering customers
19 equals 5% ~~1%~~ of the total peak demand supplied by that
20 electricity provider during the previous year. Electricity
21 providers are authorized to offer net metering beyond the 5% ~~1%~~
22 level if they so choose. ~~The number of new eligible customers~~
23 ~~with generators that have a nameplate rating of 40 kilowatts~~
24 ~~and below will be limited to 200 total new billing accounts for~~
25 ~~the utilities (Ameren Companies, ComEd, and MidAmerican) for~~
26 ~~the period of April 1, 2008 through March 31, 2009.~~

1 (k) Each electricity provider shall maintain records and
2 report annually to the Commission the total number of net
3 metering customers served by the provider, as well as the type,
4 capacity, and energy sources of the generating systems used by
5 the net metering customers. Nothing in this Section shall limit
6 the ability of an electricity provider to request the redaction
7 of information deemed by the Commission to be confidential
8 business information. Each electricity provider shall notify
9 the Commission when the total generating capacity of its net
10 metering customers is equal to or in excess of the 1% cap
11 specified in subsection (j) of this Section.

12 (l) Notwithstanding the definition of "eligible customer"
13 in item (i) of subsection (b) of this Section, each electricity
14 provider shall ~~consider whether to~~ allow meter aggregation for
15 the purposes of net metering on:

16 (1) properties owned or leased by multiple customers
17 that contribute to the operation of an eligible renewable
18 electrical generating facility, such as a community-owned
19 wind project, a community-owned biomass project, a
20 community-owned solar project, or a community methane
21 digester processing livestock waste from multiple sources;
22 ~~and~~

23 (2) individual units, apartments, or properties owned
24 or leased by multiple customers and collectively served by
25 a common eligible renewable electrical generating
26 facility, such as an apartment building served by

1 photovoltaic panels on the roof; and -

2 (3) multiple meters that are located on an eligible
3 customer's contiguous property and are used to measure only
4 electricity used for the eligible customer's requirements.

5 For the purposes of this subsection (1), "meter
6 aggregation" means the combination of reading and billing on a
7 pro rata basis for the types of eligible customers described in
8 this Section such as to allocate benefits of participation onto
9 the customers' monthly electric bills. Meter aggregation shall
10 be allowed whether the eligible renewable energy generating
11 device is located on the premises of the eligible customer or
12 is interconnected to the distribution grid of the eligible
13 customer's electricity provider or alternative retail electric
14 supplier. Such meter aggregation shall be subject to the terms
15 and conditions approved by the Commission in a proceeding
16 establishing the rules applicable to meter aggregation under
17 this subsection (1), which shall commence no less than 180 days
18 after the effective date of this amendatory Act of the 97th
19 General Assembly and be completed within 365 days after the
20 effective date of this amendatory Act of the 97th General
21 Assembly.

22 (m) Nothing in this Section shall affect the right of an
23 electricity provider to continue to provide, or the right of a
24 retail customer to continue to receive service pursuant to a
25 contract for electric service between the electricity provider
26 and the retail customer in accordance with the prices, terms,

1 and conditions provided for in that contract. Either the
2 electricity provider or the customer may require compliance
3 with the prices, terms, and conditions of the contract.

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