

SB 258 – AS AMENDED BY THE SENATE

03/28/12 1401s

2012 SESSION

12-2950  
06/05

SENATE BILL **258**

AN ACT authorizing group net metering for limited electrical energy producers.

SPONSORS: Sen. Kelly, Dist 10; Sen. Merrill, Dist 21; Sen. Larsen, Dist 15; Sen. D'Allesandro, Dist 20; Sen. Houde, Dist 5; Rep. Hawkes, Ches 3

COMMITTEE: Energy and Natural Resources

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ANALYSIS

This bill adds and modifies certain definitions related to net energy planning.

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Explanation: Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~[in brackets and struckthrough.]~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twelve*

AN ACT authorizing group net metering for limited electrical energy producers.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 Limited Electrical Energy Producers; Definitions. Amend RSA 362-A:1-a, II-b to read as  
2 follows:

3 II-b. “Eligible customer-generator” ~~[or]~~, “customer-generator”, **or “customer-generator**  
4 **group”** means an electric utility customer **or group of customers** who ~~[owns]~~ **own** or ~~[operates an]~~  
5 **operate** electrical generating ~~[facility]~~ **facilities** either powered by renewable energy or which  
6 ~~[employs]~~ **employ** a heat led combined heat and power system, with a total peak generating capacity  
7 of ~~[not more than 100 kilowatts, or that first begins operation after July 1, 2010 and has a total peak~~  
8 ~~generating capacity of 100 kilowatts or more]~~ up to one megawatt, that is located behind a retail  
9 meter on the customer’s premises ~~[is]~~ **or, in the case of a customer-generator group, on the**  
10 **premises of a customer who is a member of the group, are** interconnected and ~~[operates]~~  
11 **operate** in parallel with the electric grid, and ~~[is]~~ **are** used in the first instance to offset the  
12 customer’s own electricity requirements. ***A customer generator may be incremental generation***  
13 ***added to an existing generation facility, that does not itself qualify for net metering, as***  
14 ***long as such incremental generation meets the qualifications of this paragraph and is***  
15 ***metered separately from the nonqualifying facility. An eligible customer-generator group***  
16 ***shall only include customers located in the same municipality and served by the same***  
17 ***electric distribution utility.***

18 2 Net Energy Metering. Amend RSA 362-A:9, I to read as follows:

19 I. Standard tariffs providing for net energy metering shall be made available to eligible  
20 customer-generators, **or customer-generator groups**, by each electric distribution utility in  
21 conformance with net metering rules adopted and orders issued by the commission. Each net energy  
22 metering tariff shall be identical, with respect to rates, rate structure, and charges, to the tariff  
23 under which a customer-generator would otherwise take default generation supply service from the  
24 distribution utility. Such tariffs shall be available on a first-come, first-served basis within each  
25 electric utility service area under the jurisdiction of the commission until such time as the total rated  
26 generating capacity owned or operated by eligible customer-generators, **or customer-generator**  
27 **groups**, totals a number equal to 50 megawatts multiplied by each such utility’s percentage share of  
28 the total 2010 annual coincident peak energy demand distributed by all such utilities as determined  
29 by the commission. No more than 2 megawatts of such total rated generating capacity shall be from  
30 a combined heat and power system as defined in RSA 362-A:1-a, I-d.

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1           3 Net Energy Metering. Amend RSA 362-A:9, III through VI(a) to read as follows:

2           III. Metering shall be done in accordance with normal metering practices. A single net  
3 meter that shows the customer's net energy usage by measuring both the inflow and outflow of  
4 electricity internally shall be the extent of metering that is required at facilities with a total peak  
5 generating capacity of not more than 100 kilowatts. A bi-directional metering system that records  
6 the total amount of electricity that flows in each direction from the customer premises, either  
7 instantaneously or over intervals of an hour or less, shall be required at facilities with a total peak  
8 generating capacity of more than 100 kilowatts. Customer-generators **or customer-generator**  
9 **groups** shall not be required to pay for the installation of net meters, but shall pay for the  
10 installation of all bi-directional metering systems as outlined in utility interconnection tariffs or  
11 rules.

12           IV.(a) For facilities with a total peak generating capacity of not more than 100 kilowatts,  
13 when billing a customer-generator **or customer-generator group** under a net energy metering  
14 tariff that is not time-based, the utility shall apply the customer's net energy usage when calculating  
15 all charges that are based on kilowatt hour usage. Customer net energy usage shall equal the  
16 kilowatt hours supplied to the customer over the electric distribution system minus the kilowatt  
17 hours generated by the customer-generator and fed into the electric distribution system over a  
18 billing period.

19           (b) For facilities with a total peak generating capacity of more than 100 kilowatts, the  
20 customer-generator shall pay all applicable charges on all kilowatt hours supplied to the customer  
21 over the electric distribution system, less a credit on default service charges equal to the metered  
22 energy generated by the customer-generator and fed into the electric distribution system over a  
23 billing period.

24           V. When a customer-generator's **or customer-generator group's** net energy usage is  
25 negative (more electricity is fed into the distribution system than is received) over a billing period,  
26 such surplus shall either:

27           (a) Be credited to the customer-generator's **or customer-generator group's** account on  
28 an equivalent basis for use in subsequent billing cycles as a credit against the customer's net energy  
29 usage or bill in a manner consistent with either subparagraph IV(a) or IV(b), as applicable; or

30           (b) Except as provided in paragraph VI, the customer-generator may elect to be paid or  
31 credited by the electric distribution utility for its excess generation at rates that are equal to the  
32 utility's avoided costs for energy and capacity to provide default service as determined by the  
33 commission consistent with the requirements of the Public Utilities Regulatory Policy Act of 1978  
34 (PURPA). The commission shall determine reasonable conditions for such an election, including the  
35 frequency of payment and how often a customer-generator may choose this option versus the option  
36 in subparagraph (a).

37           VI. Instead of the option in subparagraph V(b), an electric distribution utility providing

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1 default service to customer-generators may voluntarily elect, annually, on a generic basis, by  
2 notification to the commission, to purchase or credit such excess generation from customer-  
3 generators at a rate that is equal to the generation supply component of the applicable default  
4 service rate, provided that payment is issued at least as often as whenever the value of such credit,  
5 in excess of amounts owed by the customer-generator, is greater than \$50.

6       4 Net Energy Metering. Amend RSA 362-A:9, IX to read as follows:

7           IX. Renewable energy credits shall remain the property of the customer-generator **or**  
8 **customer-generator groups** until such credits are sold or transferred. If an electric distribution  
9 utility acquires renewable energy credits from a customer-generator in conjunction with purchasing  
10 excess generation, it may apply such generation and credits to its renewable energy source default  
11 service option under RSA 374-F:3, V(f).

12       5 Effective Date. This act shall take effect July 1, 2012.

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LBAO  
12-2950  
Amended 04/23/12

**SB 258 FISCAL NOTE**

AN ACT                    authorizing group net metering for limited electrical energy producers.

**FISCAL IMPACT:**

The Public Utilities Commission states this bill, **as amended by the Senate (Amendment #2012-1401s)**, will have an indeterminable fiscal impact on state, county and local expenditures in FY 2013 and each year thereafter. There is no fiscal impact on state, county and local revenue.

**METHODOLOGY:**

The Public Utilities Commission states this bill allows net metered customers to be groups of customers and credits electricity produced and fed back into the utility electric system at different rates depending on the size of the electric generation facility and the class of customer. The Commission states any potential fiscal impact on expenditures would depend on the extent to which any such net metering groups are established that include state, county, or local governmental entities.