

2020 -- S 2109

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LC003675  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- NET METERING

Introduced By: Senators Sosnowski, McCaffrey, Goodwin, Ruggerio, and Conley

Date Introduced: January 22, 2020

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-26.4-3 of the General Laws in Chapter 39-26.4 entitled "Net  
2 Metering" is hereby amended to read as follows:

3 **39-26.4-3. Net metering.**

4 (a) The following policies regarding net metering of electricity from eligible net-metering  
5 systems and community remote-net-metering systems and regarding any person that is a  
6 renewable self-generator shall apply:

7 (1)(i) The maximum, allowable capacity for eligible net-metering systems, based on  
8 nameplate capacity, shall be ten megawatts (10 MW), effective sixty (60) days after passage. The  
9 aggregate amount of net metering in the Block Island Power Company and the Pascoag Utility  
10 District shall not exceed three percent (3%) of peak load for each utility district; and

11 (ii) Through December 31, 2018, the maximum, aggregate amount of community remote-  
12 net-metering systems built shall be thirty megawatts (30 MW). Any of the unused MW amount  
13 after December 31, 2018, shall remain available to community remote-net-metering systems until  
14 the MW aggregate amount is interconnected. [On August 1, 2020, an additional thirty megawatts](#)  
15 [\(30 MW\) of program capacity shall be made available for new applicants who apply after August](#)  
16 [1, 2020, into the program for a total of sixty megawatts \(60 MW\) of program capacity.](#) After  
17 December 31, 2018, the commission may expand or modify the aggregate amount after a public  
18 hearing upon petition by the office of energy resources. The commission shall determine within  
19 six (6) months of such petition being docketed by the commission whether the benefits of the

1 proposed expansion exceed the cost. This aggregate amount shall not apply to any net-metering  
2 financing arrangement involving public entity facilities, multi-municipal collaborative facilities,  
3 educational institutions, the federal government, hospitals, or nonprofits. By June 30, 2018, the  
4 commission shall conduct a study examining the cost and benefit to all customers of the inclusion  
5 of the distribution charge as a part of the net-metering calculation.

6 (2) For ease of administering net-metered accounts and stabilizing net-metered account  
7 bills, the electric-distribution company may elect (but is not required) to estimate for any twelve-  
8 month (12) period:

9 (i) The production from the eligible net-metering system or community remote-net-  
10 metering system; and

11 (ii) Aggregate consumption of the net-metered accounts at the eligible net-metering-  
12 system site or the sum of the consumption of the eligible credit-recipient accounts associated with  
13 the community remote-net-metering system, and establish a monthly billing plan that reflects the  
14 expected credits that would be applied to the net-metered accounts over twelve (12) months. The  
15 billing plan would be designed to even out monthly billings over twelve (12) months, regardless  
16 of actual production and usage. If such election is made by the electric-distribution company, the  
17 electric-distribution company would reconcile payments and credits under the billing plan to  
18 actual production and consumption at the end of the twelve-month (12) period and apply any  
19 credits or charges to the net-metered accounts for any positive or negative difference, as  
20 applicable. Should there be a material change in circumstances at the eligible net-metering system  
21 site or associated accounts during the twelve-month (12) period, the estimates and credits may be  
22 adjusted by the electric-distribution company during the reconciliation period. The electric-  
23 distribution company also may elect (but is not required) to issue checks to any net-metering  
24 customer in lieu of billing credits or carry-forward credits or charges to the next billing period.  
25 For residential-eligible net-metering systems and community-remote-net-metering systems  
26 twenty-five kilowatts (25 kw) or smaller, the electric-distribution company, at its option, may  
27 administer renewable net-metering credits month to month allowing unused credits to carry  
28 forward into the following billing period.

29 (3) If the electricity generated by an eligible net-metering system or community remote-  
30 net-metering system during a billing period is equal to, or less than, the net-metering customer's  
31 usage at the eligible net-metering-system site or the sum of the usage of the eligible credit-  
32 recipient accounts associated with the community remote-net-metering system during the billing  
33 period, the customer shall receive renewable net-metering credits, that shall be applied to offset  
34 the net-metering customer's usage on accounts at the eligible net-metering-system site, or shall be

1 used to credit the eligible credit-recipient's electric account.

2 (4) If the electricity generated by an eligible net-metering system or community remote-  
3 net-metering system during a billing period is greater than the net-metering customer's usage on  
4 accounts at the eligible net-metering-system site or the sum of the usage of the eligible credit-  
5 recipient accounts associated with the community remote-net-metering system during the billing  
6 period, the customer shall be paid by excess renewable net-metering credits for the excess  
7 electricity generated up to an additional twenty-five percent (25%) beyond the net-metering  
8 customer's usage at the eligible net-metering-system site, or the sum of the usage of the eligible  
9 credit-recipient accounts associated with the community remote net-metering system during the  
10 billing period; unless the electric-distribution company and net-metering customer have agreed to  
11 a billing plan pursuant to subdivision (2).

12 (5) The rates applicable to any net-metered account shall be the same as those that apply  
13 to the rate classification that would be applicable to such account in the absence of net-metering,  
14 including customer and demand charges, and no other charges may be imposed to offset net-  
15 metering credits.

16 (b) The commission shall exempt electric-distribution company customer accounts  
17 associated with an eligible, net-metering system from back-up or standby rates commensurate  
18 with the size of the eligible net-metering system, provided that any revenue shortfall caused by  
19 any such exemption shall be fully recovered by the electric-distribution company through rates.

20 (c) Any prudent and reasonable costs incurred by the electric-distribution company  
21 pursuant to achieving compliance with subsection (a) and the annual amount of any renewable  
22 net-metering credits or excess, renewable net-metering credits provided to accounts associated  
23 with eligible net-metering systems or community remote-net-metering systems, shall be  
24 aggregated by the distribution company and billed to all distribution customers on an annual basis  
25 through a uniform, per-kilowatt-hour (kwh) surcharge embedded in the distribution component of  
26 the rates reflected on customer bills.

27 (d) The billing process set out in this section shall be applicable to electric-distribution  
28 companies thirty (30) days after the enactment of this chapter.

29 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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1           This act would allow new applicants who apply after August 1, 2020, for net-metering  
2 systems and community remote-net-metering systems and any person that is a renewable self-  
3 generator to increase the maximum mega wattage from thirty (30 MW) to sixty megawatts (60  
4 MW)

5           This act would take effect upon passage.

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