

ENROLLED

H. B. 2201

[By Delegates Ireland, Folk, Manchin, Lynch, Rowe, Fleischauer,
Skinner, Fast, Fluharty, Byrd, Summers]

[Passed February 16, 2015; in effect from passage.]

AN ACT to amend and reenact §24-2F-8 of the Code of West Virginia, 1931, as amended, relating to net metering; defining net metering; defining customer-generator; defining cross-subsidization; requiring the Public Service Commission to prohibit cross-subsidization; requiring the Public Service Commission adopt certain net metering and interconnection rules and standards; striking deadlines for rulemaking by the Public Service Commission; and capping the amount of generating capacity subject to net metering.

Be it enacted by the Legislature of West Virginia:

That §24-2F-8 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 2F. NET METERING OF CUSTOMER-GENERATORS.

§24-2F-8. Net metering and interconnection standards.

(a) "Net metering" means measuring the difference between electricity supplied by an electric utility and electricity generated from a facility owned or leased and operated by a

1 customer generator when any portion of the electricity generated from the facility is used to offset
2 part or all of the electric retail customer's requirements for electricity.

3 (b) "Customer-generator" means an electric retail customer who owns or leases and
4 operates a customer-sited generation projected utilizing an alternative or renewable energy
5 resource or a net metering system in this state.

6 (c) "Cross-subsidization", for purposes of this section, means the practice of charging
7 costs directly incurred by the electric utility in accommodating a net metering system to electric
8 retail customers to electric retails customers who are not customer generators.

9 (d) "Commission" means the Public Service Commission of West Virginia as constituted
10 pursuant to section three, article one of this chapter.

11 (e) The commission shall adopt a rule requiring that all electric utilities provide a rebate
12 or discount at fair value, to be determined by the commission, to customer-generators for any
13 electricity generation that is delivered to the utility under a net metering arrangement. The
14 commission shall assure that any net metering tariff does not create a cross-subsidization
15 between customers within one class of service.

16 (f) The commission shall also consider adopting, by rule, a requirement that all sellers of
17 electricity to retail customers in the state, including rural electric cooperatives, municipally
18 owned electric facilities or utilities serving less than thirty thousand residential electric customers
19 in this state, offer net metering rebates or discounts to customer-generators.

20 (g) The commission shall institute a general investigation for the purpose of adopting
21 rules pertaining to net metering and the interconnection of eligible electric generating facilities

1 intended to operate in parallel with an electric utility's system. As part of its investigation, the
2 commission shall take into consideration rules of other states within the applicable region of the
3 regional transmission organization, as that term is defined in 18 C.F.R. §35.34, that manages a
4 utility's transmission system in any part of this state. Furthermore, the commission shall
5 consider increasing the allowed kilowatt capacity for commercial customer-generators to an
6 amount not to exceed five hundred kilowatts and for industrial customer-generators to an amount
7 not to exceed two megawatts. The commission shall further consider interconnection standards
8 for combined heat and power.

9 (h) An electric utility shall offer net metering to a customer-generator that generates
10 electricity on the customer-generator side of the meter using alternative or renewable energy
11 sources, on a first-come, first-served basis, based on the date of application for interconnection as
12 provided in the rules promulgated by the commission and pursuant to a standard tariff. An
13 electric utility may offer net metering to customer-generators, on a first-come, first-served basis,
14 so long as the total generation capacity installed by all customer-generators is no greater than
15 three percent (3%) of the electric utility aggregate customer peak demand in the state during the
16 previous year, of which no less than one-half percent (0.5%) is reserved for residential customer-
17 generators.

18 (i) The commission shall adopt a rule requiring compliance with the Institute of the
19 Electrical and Electronics Engineers (IEEE), and as the same shall be amended, standards at all
20 times, including having a disconnect readily accessible to the utility between the facilities of the
21 customer-generator and the electric utility.