

WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

Introduced

House Bill 5422

By Delegates Steele, Hanshaw (Mr. Speaker) and
Young

[Introduced February 02, 2024; Referred to the
Committee on Energy and Manufacturing then the
Judiciary]

1 A BILL to amend and reenact §24-2F-8 of the Code of West Virginia, 1931, as amended, relating
 2 to commercial net metering standards; modifying definition of "cross-subsidization";
 3 requiring Public Service Commission to adopt rule mandating electric utilities to provide full
 4 retail credit to customer-generators for electricity delivered to utility under net metering
 5 arrangement; and requiring commission to consider increasing allowed kilowatt capacity
 6 for commercial customer-generators.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2F. ALTERNATIVE AND RENEWABLE ENERGY PORTFOLIO STANDARD.

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

1 (a) "Net metering" means measuring the difference between electricity supplied by an
 2 electric utility and electricity generated from a facility owned or leased and operated by a customer
 3 generator when any portion of the electricity generated from the facility is used to offset part or all
 4 of the electric retail customer's requirements for electricity.

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

8 (c) "Cross-subsidization", for purposes of this section, means the practice of charging
 9 ~~costs directly incurred by the electric utility~~ the net of the difference in the cost of a traditional meter
 10 and the metering equipment required for net metering, directly incurred by the electric utility in
 11 accommodating a net metering system to electric retail customers who are not customer
 12 generators.

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

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

22 (f) The Public Service Commission shall institute a general investigation for the purpose of
23 adopting rules pertaining to net metering and the interconnection of eligible electric generating
24 facilities intended to operate in parallel with an electric utility's system. As part of its investigation,
25 the Public Service Commission shall take into consideration rules of other states within the
26 applicable region of the regional transmission organization, as that term is defined in 18 C.F.R.
27 §35.34, that manages a utility's transmission system in any part of this state. Furthermore, the
28 Public Service Commission shall consider increasing the allowed kilowatt capacity for commercial
29 customer-generators to an amount not to exceed ~~five hundred~~ 1,000 kilowatts and for industrial
30 customer-generators to an amount not to exceed two megawatts. The Public Service
31 Commission shall further consider interconnection standards for combined heat and power.

32 (g) An electric utility shall offer net metering to a customer-generator that generates
33 electricity on the customer-generator side of the meter using alternative or renewable energy
34 sources, on a first-come, first-served basis, based on the date of application for interconnection as
35 provided in the rules promulgated by the commission and pursuant to a standard tariff. An electric
36 utility may offer net metering to customer-generators, on a first-come, first-served basis, so long as
37 the total generation capacity installed by all customer-generators is no greater than three percent
38 (~~3%~~) of the electric utility aggregate customer peak demand in the state during the previous year,
39 of which no less than one-half percent (~~0.5%~~) is reserved for residential customer-generators.

40 (h) The Public Service Commission shall adopt a rule requiring compliance with the
41 Institute of the Electrical and Electronics Engineers (IEEE) standards at all times, and as the same
42 shall be amended, including having a disconnect readily accessible to the utility between the
43 facilities of the customer-generator and the electric utility.

NOTE: The purpose of this bill is to require the Public Service Commission to adopt a rule mandating electric utilities to provide full retail credit to customer-generators for electricity delivered to utility under net metering arrangement; and requiring commission to consider increasing allowed kilowatt capacity for commercial customer-generators.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.