

# WEST VIRGINIA LEGISLATURE

## 2026 REGULAR SESSION

Introduced

### House Bill 5648

FISCAL  
NOTE

By Delegate Eldridge

[Introduced February 17, 2026; referred to the  
Committee on Energy and Public Works]



**§24-1-1. Legislative purpose and policy; plan for internal reorganization; promulgation of plan as rule; cooperation with Joint Committee on Government and Finance.**

1 (a) It is the purpose and policy of the Legislature in enacting this chapter to confer upon the  
2 Public Service Commission of this state the authority and duty to enforce and regulate the  
3 practices, services and rates of public utilities in order to:

4 (1) Ensure fair and prompt regulation of public utilities in the interest of the using and  
5 consuming public;

6 (2) Provide ~~the availability of adequate, economical~~ safe, affordable, and reliable utility  
7 services throughout the state;

8 (3) Encourage the well-planned development of utility resources in a manner consistent  
9 with state needs and in ways consistent with the productive use of the state's energy resources,  
10 such as coal;

11 (4) Ensure that rates and charges for utility services are just, reasonable, applied without  
12 unjust discrimination or preference, applied in a manner consistent with the purposes and policies  
13 set forth in ~~article two-a of this chapter~~ §24-2A-1 et seq. of this code and based primarily on the  
14 costs of providing these services;

15 (5) Encourage energy conservation and the effective and efficient management of  
16 regulated utility enterprises; and

17 (6) Encourage removal of artificial barriers to rail carrier service, stimulate competition,  
18 stimulate the free flow of goods and passengers throughout the state and promote the expansion  
19 of the tourism industry, thereby improving the economic condition of the state.

20 (b) The Legislature creates the Public Service Commission to exercise the legislative  
21 powers delegated to it. The Public Service Commission is charged with the responsibility for  
22 appraising and ~~balancing~~ prioritizing the interests of current and future utility service customers,  
23 while giving consideration to the general interests of the state's economy and the interests of the  
24 utilities subject to its jurisdiction in its deliberations and decisions.

25 (c) The Legislature directs the Public Service Commission to identify, explore and consider  
26 the potential benefits or risks associated with emerging and state-of-the-art concepts in utility  
27 management, rate design and conservation. The commission may conduct inquiries and hold  
28 hearings regarding such concepts in order to provide utilities subject to its jurisdiction and other  
29 interested persons the opportunity to comment and shall report to the Governor and the  
30 Legislature regarding its findings and policies to each of these areas not later than the first day of  
31 the regular session of the Legislature in the year 1985, and every two years thereafter.

32 (d) It is legislative policy to ensure that the Legislature and the general public become  
33 better informed regarding the regulation of public utilities in this state and the conduct of the  
34 business of the Public Service Commission. To aid in the achievement of this policy, the Public  
35 Service Commission annually shall present to the Joint Committee on Government and Finance,  
36 created by article three, chapter four of this code, or a subcommittee designated by the joint  
37 committee, a management summary report which describes in a concise manner:

38 (1) The major activities of the commission for the year especially as such activities relate to  
39 the implementation of the provisions of this chapter;

40 (2) Important policy decisions reached and initiatives undertaken during the year;

41 (3) The current balance of supply and demand for natural gas and electric utility services in  
42 the state and forecast of the probable balance for the next ~~ten~~ 10 years; and

43 (4) Other information considered by the commission to be important including  
44 recommendations for statutory reform and the reasons for such recommendations.

45 (e) In addition to any other studies and reports required to be conducted and made by the  
46 Public Service Commission pursuant to any other provision of this section, the commission shall  
47 study and initially report to the Legislature no later than the first day of the regular session of the  
48 Legislature in the year 1980 upon:

49 (1) The extent to which natural gas wells or wells heretofore supplying gas utilities in this  
50 state have been capped off or shut in; the number of such wells; their probable extent of future

51 production and the reasons given and any justification for capping off or shutting in such wells; the  
52 reasons, if any, why persons engaged or heretofore engaged in the development of gas wells in  
53 this state or the Appalachian areas have been discouraged from drilling, developing or selling the  
54 production of such wells; and whether there are fixed policies by any utility or group of utilities to  
55 avoid the purchase of natural gas produced in the Appalachian region of the United States  
56 generally and in West Virginia specifically.

57 (2) The extent of the export and import of natural gas utility supplies in West Virginia.

58 (3) The cumulative effect of the practices mentioned in subdivisions (1) and (2) of this  
59 subsection upon rates theretofore and hereafter charged gas utility customers in West Virginia. In  
60 carrying out the provisions of this section the commission shall have jurisdiction over such  
61 persons, whether public utilities or not, as may be in the opinion of the commission necessary to  
62 the exercise of its mandate and may compel attendance before it, take testimony under oath and  
63 compel the production of papers or other documents. Upon reasonable request by the  
64 commission, all other state agencies shall cooperate with the commission in carrying out the  
65 provisions and requirements of this subsection.

66 (f) No later than the first day of the regular session of the Legislature in the year 1980, the  
67 Public Service Commission shall submit to the Legislature a plan for internal reorganization which  
68 plan shall specifically address the following:

69 (1) A division within the Public Service Commission which shall include the office of the  
70 commissioners, the hearing examiners and such support staff as may be necessary to carry out  
71 the functions of decisionmaking and general supervision of the commission, which functions shall  
72 not include advocacy in cases before the commission;

73 (2) The creation of a division which shall act as an advocate for the position of and in the  
74 interest of all customers;

75 (3) The means and procedures by which the division to be created pursuant to the  
76 provisions of subdivision (2) of this subsection shall protect the interests of each class of

77 customers and the means by which the commission will assure that such division will be financially  
78 and departmentally independent of the division created by subdivision (1) of this subsection;

79 (4) The creation of a division within the Public Service Commission which shall assume the  
80 duties and responsibilities now charged to the commissioners with regard to motor carriers which  
81 division shall exist separately from those divisions set out in subdivisions (1) and (2) of this  
82 subsection and which shall relieve the commissioners of all except minimal administrative  
83 responsibilities as to motor carriers and which plan shall provide for a hearing procedure to relieve  
84 the commissioners from hearing motor carrier cases;

85 (5) Which members of the staff of the Public Service Commission shall be exempted from  
86 the salary schedules or pay plan adopted by the Civil Service Commission and identify such staff  
87 members by job classification or designation, together with the salary or salary ranges for each  
88 such job classification or designation;

89 (6) The manner in which the commission will strengthen its knowledge and independent  
90 capacity to analyze key conditions and trends in the industries it regulates extending from general  
91 industry analysis and supply-demand forecasting to continuing and more thorough scrutiny of the  
92 capacity planning, construction management, operating performance and financial condition of  
93 the major companies within these industries.

94 Such plan shall be based on the concept that each of the divisions mentioned in  
95 subdivisions (1), (2) and (4) of this subsection shall exist independently of the others and the plan  
96 shall discourage ex parte communications between them by such means as the commission shall  
97 direct, including, but not limited to, separate clerical and professional staffing for each division.  
98 Further, the Public Service Commission is directed to incorporate within the said plan to the fullest  
99 extent possible the recommendations presented to the subcommittee on the Public Service  
100 Commission of the Joint Committee on Government and Finance in a final report dated February,  
101 1979, and entitled A Plan for Regulatory Reform and Management Improvement.

102 The commission shall, before January 5, 1980, adopt said plan by order, which order shall

103 promulgate the same as a rule of the commission to be effective upon the date specified in said  
104 order, which date shall be no later than December 31, 1980. Certified copies of such order and rule  
105 shall be filed on the first day of the 1980 regular session of the Legislature, by the chairman of the  
106 commission with the clerk of each house of the Legislature, the Governor and the Secretary of  
107 State. The chairman of the commission shall also file with the office of the Secretary of State the  
108 receipt of the clerk of each house and of the Governor, which receipt shall evidence compliance  
109 with this section.

110           Upon the filing of a certified copy of such order and rule, the clerk of each house of the  
111 Legislature shall report the same to their respective houses and the presiding officer thereof shall  
112 refer the same to appropriate standing committee or committees.

113           Within the limits of funds appropriated therefor, the rule of the Public Service Commission  
114 shall be effective upon the date specified in the order of the commission promulgating it unless an  
115 alternative plan be adopted by general law or unless the rule is disapproved by a concurrent  
116 resolution of the Legislature adopted prior to adjournment sine die of the regular session of the  
117 Legislature to be held in the year 1980: *Provided*, That if such rule is approved in part and  
118 disapproved in part by a concurrent resolution of the Legislature adopted prior to such  
119 adjournment, such rule shall be effective to the extent and only to the extent that the same is  
120 approved by such concurrent resolution.

121           The rules promulgated and made effective pursuant to this section shall be effective  
122 notwithstanding any other provisions of this code for the promulgation of rules or regulations.

123           (g) The Public Service Commission is hereby directed to cooperate with the Joint  
124 Committee on Government and Finance of the Legislature in its review, examination and study of  
125 the administrative operations and enforcement record of the Railroad Safety Division of the Public  
126 Service Commission and any similar studies.

127           (h) (1) The Legislature hereby finds that rates for natural gas charged to customers of all  
128 classes have risen dramatically in recent years to the extent that such increases have adversely

129 affected all customer classes. The Legislature further finds that it must take action necessary to  
130 mitigate the adverse consequences of these dramatic rate increases.

131 (2) The Legislature further finds that the practices of natural gas utilities in purchasing high-  
132 priced gas supplies, in purchasing gas supplies from out-of-state sources when West Virginia  
133 possesses abundant natural gas, and in securing supplies, directly or indirectly, by contractual  
134 agreements including take-or-pay provisions, indefinite price escalators or most-favored nation  
135 clauses have contributed to the dramatic increase in natural gas prices. It is therefore the policy of  
136 the Legislature to discourage such purchasing practices in order to protect all customer classes.

137 (3) The Legislature further finds that it is in the best interests of the citizens of West Virginia  
138 to encourage the transportation of natural gas in intrastate commerce by interstate or intrastate  
139 pipelines or by local distribution companies in order to provide competition in the natural gas  
140 industry and in order to provide natural gas to consumers at the lowest possible price.

141 (i) The Legislature further finds that transactions between utilities and affiliates are a  
142 contributing factor to the increase in natural gas and electricity prices and tend to confuse  
143 consideration of a proper rate of return calculation. The Legislature therefore finds that it is  
144 imperative that the Public Service Commission have the opportunity to properly study the issue of  
145 proper rate of return for lengthy periods of time and to limit the return of a utility to a proper level  
146 when compared to return or profit that affiliates earn on transactions with sister utilities.

147 (j) The Legislature further finds that water and sewer utilities that are political subdivisions  
148 of the state providing separate or combined services and having at least four thousand five  
149 hundred customers and annual gross revenues of \$3 million or more are most fairly and effectively  
150 regulated by the local governing body with respect to rates, borrowing and capital projects.  
151 Therefore, notwithstanding any contrary provisions of this section, the jurisdiction of the Public  
152 Service Commission over water and sewer utilities that are political subdivisions of the state is  
153 limited to that granted specifically in this code.

154 (k) The Legislature further finds that an adequate cash working capital fund is essential to

155 allow water and sewer utilities that are political subdivisions of the state to deliver continuous and  
156 compliant service. Therefore, these utilities shall maintain a working capital reserve in an amount  
157 of no less than one eighth of actual annual operation and maintenance expense. This reserve shall  
158 be separate and distinct from and in addition to any repair and replacement fund that may be  
159 required by bond covenants.

**§24-1-1e. General investigation and report regarding organization and funding of the  
Consumer Advocate Division.**

1 (a) In an effort to ensure that the parties that advocate on behalf of ratepayers have all  
2 necessary resources and statutory backing available for them to protect ratepayers, the  
3 Legislature directs that the Commission investigate opportunities for the Legislature to further  
4 support the work being done on behalf of ratepayers.

5 (b) By no later than July 1, 2026, the Commission shall initiate a general investigation for  
6 the purpose of identifying any opportunities or tools to further support the work of the Commission  
7 staff and work of the Consumer Advocate Division relating to utility ratemaking. This review should  
8 investigate and make recommendations regarding the following:

9 (1) Increased funding, salaries, and other staffing needs for the staff of the Commission;

10 (2) Increased funding, salaries, and other staffing needs for the Consumer Advocate  
11 Division;

12 (3) Clear statutory authority in this code explaining the responsibilities and powers of the  
13 Consumer Advocate Division, including an exploration of whether the Consumer Advocate would  
14 benefit from additional independent decision-making authority; and

15 (4) Creating a small business advocate division to address small business utility rates,  
16 similar to the Consumer Advocate Division's work on behalf of residential ratepayers.

17 (c) The Commission shall issue a final order pursuant to the above general investigation,  
18 by December 31, 2026, that considers and describes how other states address the above  
19 methods of ensuring oversight of utility rates, and with recommendations by the Commission. The

20 Commission shall allow for comments from interested parties and attach such recommendations,  
 21 or a summary of recommendation, to the final order. The Commission may establish a task force  
 22 and invite parties representing consumers, utilities, the elderly, low-income individuals, and any  
 23 party with a history of participating in cases before the Commission, to assist in its general  
 24 investigations.

25 (d) A complete copy of the final order in the general investigation initiated pursuant to this  
 26 section must be committed to the Joint Committee on Government and Finance and the Joint  
 27 Standing Committee on Energy and Public Works.

**§24-1-6. Office of commission; time and place of hearings; number of commissioners required for taking action.**

1 The general office of the commission shall be kept at the seat of government and in charge  
 2 of the secretary or his or her deputy. Hearings and the taking of evidence may be had at such times  
 3 and places and in such manner in each particular case as the commission may designate:  
 4 Provided, That in any case where electric, gas, water, or sewer bills will increase by five percent or  
 5 more, and will affect more than 10,000 customers, the commission shall hold public comment  
 6 hearings in at least one location within 50 miles of each customer within the utility's service  
 7 territory. If the sole purpose of the hearing is to receive public comment or protest, then not less  
 8 than one commissioner is required to be present, and both an in-person and either an online or  
 9 telephonic option for participating must be provided to the public.

10 The concurrent judgment of two of the commissioners, when in session as the  
 11 commission, shall be deemed the action of the commission, and a vacancy in the commission  
 12 shall not affect the right or duty of the remaining commissioners to function as a commission.

**ARTICLE 2. POWERS AND DUTIES OF PUBLIC SERVICE COMMISSION.**

**§24-2-3a. Advance notice of filing of general rate case required; public notice of all rate increases.**

1 (a) All public utilities subject to the provisions of section four or four-a of this article,

2 intending to institute a general rate case, shall give the commission not less than thirty days' notice  
3 before proceeding under the provision of those sections unless the commission modifies or  
4 waives such notice requirement.

5 (b) All public utilities shall notify each customer of any proposed rate or tariff increase  
6 through the method that they deliver bills to the customer, at least once monthly between the date  
7 that the proposed increase was submitted to the Commission and the evidentiary hearing is  
8 scheduled for the case. If the utility maintains a public website or serves more than 100,000  
9 customers, a notice shall be posted on the website in a manner that is easily accessible to the  
10 public. Such notices must also include the following:

11 (1) Information about how ratepayers can submit comments to the Commission about the  
12 proposed increase;

13 (2) A plain language explanation of the reason for the increase and the estimated bill  
14 impact on a typical residential customer and a typical small business customer; and

15 (3) Information regarding the dates of public hearings, opportunities for intervention, and  
16 the availability of assistance for the Office of the Consumer Advocate.

**§24-2-17. Registry of electric customers on life support systems; notification prior to  
scheduled outages; priority of service restoration; limitation of liability; life support  
defined.**

1 (a) In addition to all other powers and duties conferred upon the commission by this  
2 chapter, the commission shall promulgate rules establishing requirements for electric utilities in  
3 this state for purposes of accomplishing the following:

4 (1) Identifying and maintaining a registry of persons that are dependent upon life support  
5 systems which require electric service to function, and updating that registry at least twice  
6 annually; all new customers shall be notified of the registry and its functions and existing  
7 customers shall be made aware of the registry through information on the utility's website or  
8 through an annual bill insert;



**§24-2A-1. Special rates for gas and electric utility customers receiving low-income assistance. ~~Social Security Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC), Aid to Families with Dependent Children--Unemployed (AFDC-U) or food stamps.~~**

1        (a) The commission shall order each gas and electric utility subject to its jurisdiction,  
2 except municipal or cooperative gas or electric utilities, to offer special reduced rates applicable to  
3 gas and electric service for the billing months of December, January, February, March, and April,  
4 June, July and August of each year ~~(beginning with the billing month of December, 1983)~~, to  
5 residential utility customers receiving:

- 6            ~~(a) social~~ (1) Social security supplemental security income (SSI),
- 7            ~~(b) aid~~ (2) Aid to families with dependent children (AFDC),
- 8            ~~(c) aid~~ (3) Aid to families with dependent children-- unemployed (AFDC-U), or
- 9            (4) Medicaid,
- 10           (5) Low Income Home Energy Assistance Program (LIHEAP),
- 11           (6) Temporary Assistance for Needy Families (TANF),
- 12           (7) Supplemental Security Disability Insurance (SSDI),
- 13           ~~(d) food~~ (8) Food stamps or Supplemental Nutrition Assistance Programs (SNAP), if such
- 14 food stamp recipients are sixty years of age or older. Or
- 15           (9) Any similar state or federal program that is similarly limited by income.

16        (b) The special reduced rate offered by each gas and electric utility to its eligible customers  
17 shall be ~~twenty~~ 20 percent less than the rate which would be applicable to such customers if they  
18 were not receiving any of the four forms of assistance which confer eligibility for the special  
19 reduced rates. A customer of a utility offering special reduced rates shall be eligible to begin to  
20 receive such rates for each of the billing months of December, January, February, March, and  
21 April, June, July, and August, that correlates to a calendar month during which that customer is  
22 eligible to participate in one or more of the qualifying programs specified in this section, except as

23 otherwise provided in this section.

24 (c) The correlation of billing months to calendar months of eligibility to participate in a  
25 qualifying program is as follows:

26 (1) A December billing month correlates to the calendar month of November;

27 a (2) A January billing month correlates to the calendar month of December;

28 a (3) A February billing month correlates to the calendar month of January;

29 a (4) A March billing month correlates to the calendar month of February; and

30 an (5) An April billing month correlates to the calendar month of March;

31 (6) A June billing month correlates to the calendar month of May;

32 (7) A July billing month correlates to the calendar month of June; and

33 (8) An August billing month correlates to the calendar month of July.

34 ~~After the billing month of April, 1984, no customer shall be eligible to receive the special~~  
35 ~~reduced rates until the billing month in which that customer applies for such rates. For the billing~~  
36 ~~months of December, 1983, and January, February, March and April, 1984, a customer shall be~~  
37 ~~eligible to receive a utility's special reduced rates for any of said billing months which correlates to~~  
38 ~~a calendar month during which that customer is eligible to participate in one or more of the~~  
39 ~~qualifying programs specified in this section, regardless of the date on which that customer applies~~  
40 ~~for such rates: *Provided*, That the date of application falls on or prior to May 15, 1984. No customer~~  
41 ~~who applies for the special reduced rates after May 15, 1984 shall be eligible to receive such rates~~  
42 ~~for any of the billing months of December, 1983 or January, February, March or April, 1984. Before~~  
43 ~~any individual may qualify to receive the special reduced rates, the following requirements must be~~  
44 ~~met:~~

45 ~~(a) The special reduced rates shall apply only to current customers or to those persons~~  
46 ~~who subsequently become customers in their own right. If an SSI, AFDC, AFDC-U or food stamp~~  
47 ~~recipient is living in a household which is served under the name of a person who is not an SSI,~~  
48 ~~AFDC, AFDC-U or food stamp recipient, that service may not be changed or have been changed~~

49 subsequent to March 12, 1983, to the name of the SSI, AFDC, AFDC-U or food stamp recipient in  
50 order to qualify for service under the special reduced rates.

51 (b) The burden of proving eligibility for the special reduced rates shall be on the customer  
52 requesting such rates. The customer must renew eligibility every 12 months.

53 (d) If the utility offers assistance to a customer through a different program that is also  
54 based on low-income eligibility criteria, which could also be based upon the customer receiving the  
55 benefits described in subsection (a), then the utility shall, at least once annually, notify the  
56 customer of the reduced rate that may also be available to them. Similarly, if a customer is utilizing  
57 the low-income rate, the utility shall notify the customer, at least once annually, of any other low-  
58 income-eligible programs that may be available to the customer. The utility shall also provide the  
59 notice at the time of any disconnection notice or notice of arrearage.

60 (e) The department of human services shall establish by rules and regulations procedures  
61 (1) to inform persons receiving any of the four forms of assistance which confer eligibility for the  
62 special reduced rates about the availability of the special reduced rates, (2) to assist applicants for  
63 the special reduced rates in proving their eligibility therefor, and (3) to assist gas and electric  
64 utilities offering the special reduced rates in determining on a continuing basis the eligibility  
65 therefor of persons receiving or applying for such rates.

66 (f) The commission shall establish by rules and regulations procedures for the application  
67 for, notice of, and provision of service under the special reduced rates and for the determination  
68 and certification of revenue deficiencies resulting from the special reduced rates. Within ten days  
69 of the effective date of this article, the commission and the department of human services shall  
70 adopt temporary rules and regulations, as required by this section, which rules and regulations  
71 shall not be subject to the requirements of ~~chapter twenty-nine-a and section seven, article one of~~  
72 ~~chapter twenty-four~~ §29A-3-1 et seq. or §24-1-7 of this code except that they shall be filed with the  
73 Secretary of State and published in the state register. These temporary rules and regulations shall  
74 remain in effect until supplanted by permanent rules and regulations, which shall be adopted by

75 the commission and the department of human services within ~~one hundred eighty~~ 180 days of the  
76 effective date of this article. No customer who is a recipient of more than one of the four forms of  
77 assistance which confer eligibility for the special reduced rates shall be eligible for more than one  
78 ~~twenty~~ 20 percent discount for gas service and one ~~twenty~~ 20 percent discount for electric service  
79 during each billing month that said customer is eligible to receive the special reduced rates.

80 (g) A residential customer receiving services under the special reduced rates shall not be  
81 disconnected for nonpayment without first being offered reasonable payment arrangements  
82 consistent with Commission rules.

83 (h) The Commission may, by rule, extend the availability of special reduced rates to  
84 additional billing months upon a finding that such extension is necessary to protect customer  
85 health or safety.

86 (i) The Commission shall require all gas, electric, and water utilities that have 100,000  
87 customers or more to file an annual report that tracks aggregated data on the percentage of  
88 household income spent by its residential customers for that utility's service.

89 ~~(c) In order to provide each eligible residential utility customer the special reduced rates for~~  
90 ~~the billing months of December, 1983, through April, 1984, (hereinafter referred to as the first~~  
91 ~~special reduced rate season), each utility providing the special reduced rates shall credit against~~  
92 ~~the amount otherwise owed by each customer an amount equal to the difference between the total~~  
93 ~~amount that each such customer was actually billed during the first special reduced rate season~~  
94 ~~and the total amount that each customer would have been entitled to be billed under the special~~  
95 ~~reduced rates. Each such credit shall be fully reflected on the first bill issued to each such~~  
96 ~~customer after approval of each such customer's application for the special reduced rates, except~~  
97 ~~in cases where the interval between the approval and the issuance of the next bill is so short that it~~  
98 ~~is administratively impracticable to do so, in which cases such credits shall be fully reflected on the~~  
99 ~~second bill issued to each such customer after approval of that customer's application. If the~~  
100 ~~interval between the approval and the issuance of the next bill is fifteen days or more, it shall not be~~

101 ~~deemed administratively impracticable to reflect such credit on the customer's first such bill.~~

**§24-2A-6. Managing termination of electric or gas service for nonpayment.**

1       (a) The legislature finds that electric and natural gas service is critical for health and safety  
2 in the coldest winter months and that electric service is critical for health and safety in the hottest  
3 summer months. The legislature further finds that increased notice of impending termination of  
4 service can increase payments from ratepayers.

5       (b) The Commission shall promulgate or amend existing rules that are consistent with the  
6 following provisions relating to termination of service:

7       (1) Utilities shall provide at least 30 days' advance notice with at least three contact  
8 attempts before termination. At least one contact attempt shall be made by a method other than  
9 mailed notice where such contact information is available. Such notice shall be written in plain and  
10 understandable language and shall include the reason for termination the total amount due,  
11 available payment options, protections against termination and contact information for the Office  
12 of the Consumer Advocate;

13       (2) Utilities shall offer an income-based repayment program. The program must be a  
14 monthly payment of six percent of income, or \$10 each month, whichever is greater. Such a  
15 program can include requirements of eligibility that customers must enroll in an average monthly  
16 payment plan or conduct a home energy assessment as funded in subsection (c) of this section, if  
17 the customer is eligible for such programs. Participation in the income-based repayment program  
18 shall not result in additional fees, penalties, or higher rates;

19       (3) Termination of service cannot occur during the following circumstances:

20       (A) In the months of January, February, March, and April for natural gas and electric  
21 utilities;

22       (B) In the months of June, July, and August for electric utilities;

23       (C) During a state of emergency, as declared by the federal, state, or local government for  
24 the county or municipality where the customer lives;

25 (D) The customer has a demonstrated medical emergency including but not limited to  
26 hospitalization within three months of the termination date or, for electric customers, participation  
27 in the registry of electric customers on life support systems established in §24-2-17 of this code;

28 (E) During an extreme weather event that has directly affected the ratepayer, including but  
29 not limited to severe storms, wildfires, extreme heat wave, or intense raining or flooding;

30 (F) During a time of financial hardship for the customer utilizing criteria set up by the  
31 Commission; or

32 (G) While a customer is actively applying for or participating in an income-based  
33 repayment program, special reduced rate, or other Commission approved assistance program.

34 (c) In order to reduce terminations long-term and to efficiently utilize energy resources,  
35 each gas utility and electric utility shall dedicate one percent of annual energy sales revenue  
36 toward funding:

37 (1) The Dollar Energy Fund for below-median-income customers who fall behind on  
38 payment; and

39 (2) Weatherization and energy use assessment for all customers, prioritizing  
40 weatherization for low- and middle-income customers.

## **ARTICLE 2F. ALTERNATIVE AND RENEWABLE ENERGY PORTFOLIO STANDARD.**

### **§24-2F-1. Portable solar generation devices.**

1 (a) The term "portable solar generation device" means a moveable photovoltaic generation  
2 device that is designed to be connected to a building's electrical system through a standard  
3 electrical outlet; is intended primarily to offset part or all of the customer's requirements for  
4 electricity; has a maximum power output of not more than 1,200 watts to a standard electrical  
5 outlet; and is certified by Underwriters Laboratory or another nationally recognized testing  
6 laboratory.

7 (b) Portable solar generation devices are exempt from requirements to subject to a  
8 customer generation or interconnection agreement and are not eligible for net metering.

9           (c) An electrical service provider may not require a customer using a portable solar  
10 generation device to obtain the electrical corporation's approval before installing or using the  
11 device, pay any fee or charge related to the system or for feeding small amounts of electricity  
12 under the output threshold back into the utility grid, or install any additional controls or equipment  
13 beyond what is integrated into the system.

## **ARTICLE 2J. DISTRIBUTED POWER PLANT PROGRAM.**

### **§24-2J-1. Definitions.**

1           As used in this article:

2           "Aggregator" means a third-party entity that enrolls customers in the program and  
3 coordinates the operation of enrolled devices. An aggregator is a participant in the program;

4           "Battery" means a behind-the-meter energy storage device and associated equipment that  
5 operate together to fulfill program requirements;

6           "Commission" means the West Virginia Public Utilities Commission;

7           "Customer" means an active electric service account holder of an electric service  
8 company;

9           "Direct participant" means a customer that enrolls in the program directly with the company  
10 rather than via an aggregator;

11           "Distributed energy resource" means a behind-the-meter device, including, but not limited  
12 to solar PV, batteries, smart thermostats, and electric vehicles that provides energy or energy  
13 management capabilities for the customer or the grid;

14           "Distributed power plant" means an aggregation of behind-the meter distributed energy  
15 resources operated in coordination to provide one or more grid services;

16           "Eligible device" means a customer or third party-owned distributed energy resource that  
17 meets the requirements for participation in the program as specified in the relevant program rider;

18           "Emergency event" means an event called by the company with less than 24 hours' notice;

19           "Enrolled customer" means a customer who participates in the program through either an

20 aggregator or as a direct participant;

21 "Enrolled device" means an enrolled customer's eligible device, as specified in the relevant  
22 program rider;

23 "Grid event" means a grid condition for which the company schedules or remotely  
24 dispatches enrolled devices to respond to as specified in the grid service opportunities for each  
25 program rider;

26 "Grid service" means a capacity, energy, or ancillary services that supports grid operations  
27 for each program rider;

28 "Participant" means an aggregator or a direct participant;

29 "Performance payment" means a payment made to the participant based on the  
30 performance of an enrolled device or devices providing a grid service during a grid event;

31 "Performance payment rate" means the compensation rate paid to participants for  
32 providing a particular grid service during a grid event;

33 "Program rider" means one or more of the battery rider, the non-battery rider, the EV rider,  
34 and such other distributed power program riders as the commission may approve from time to  
35 time; and

36 "Upfront payment" means a one-time payment made at the time of enrollment.

**§24-2J-2. Legislative findings.**

1 (a) Distributed power plants are dynamic load management and energy supply resources  
2 that support grid operations, reduce ratepayer costs, and achieve other important public policy  
3 goals.

4 (b) Distributed power plants can reduce demand for grid supplied electricity during peak  
5 periods, shift electricity consumption out of peak periods, make renewable energy generated  
6 during off-peak periods available for use during on-peak periods, supply energy to the grid at  
7 desired times, provide frequency regulation, voltage support, and other ancillary services, improve  
8 system resiliency and reliability, and provide other grid services.

9           (c) Distributed power plants facilitate and optimize the utilization of electrical generation  
10 from wind and solar energy to help utilities increase hosting capacity and integrate more  
11 renewable energy resources.

12           (d) Distributed power plants reduce costs to ratepayers by utilizing customer-sited  
13 resources to provide grid services avoiding or reducing reliance on fossil-fuel fired. Specialized  
14 power generation facilities designed to operate only during times of high electricity demand plants,  
15 avoiding or deferring the need to construct new and more costly grid scale resources, optimizing  
16 the use of existing assets, and avoiding or deferring distribution and transmission system  
17 upgrades and other grid investments.

18           (e) Distributed power plants promote equity by reducing costs for all ratepayers, expanding  
19 access to distributed energy resources among low and moderate income customers through  
20 improved distributed energy resource economics, and providing other important co-benefits,  
21 including reduction in emissions of greenhouse gasses and other pollutant, especially in  
22 environmental justice and other disadvantaged communities that host fossil fuel generation plants.

23           (f) The United States Department of Energy estimates that the United States could deploy  
24 80-160 gigawatts of distributed powerplants by 2030 to support the rapid electrification of vehicles  
25 and homes and provide on the order of \$10 billion in ratepayer savings annually. The deployment  
26 of distributed power plants can provide energy cost savings and other benefits to the citizens of  
27 West Virginia.

28           (g) There are significant barriers to deployment and operation of distributed power plants,  
29 including the need for statutory and regulatory guidance and support, standardization in  
30 distributed power plant programs across regulatory jurisdictions, and for utility commitments to  
31 incorporate the use of distributed power plants into system operations and long-term resource  
32 planning.

33           (h) It is in the public interest to advance customer choice and leverage the expertise of  
34 private, non-utility entities to advance innovation and implement cost-effective clean energy

35 solutions.

36 (i) The policy of West Virginia shall be to maximize the use of distributed power plants  
37 comprised of customer-owned and third party-owned distributed energy resources to deliver  
38 system services and other benefits through utility administered distributed power plant programs  
39 in accordance with the provisions of this article.

**§24-2J-3. Distributed power plant program proposal.**

1 (a) Within 120 days of the effective date of this article each electric utility serving customers  
2 in this state shall develop and file with the commission a distributed power plant program proposal  
3 consistent with the provisions of this section. The commission shall provide opportunities for  
4 stakeholders to provide input on the distributed power plant program proposed for implementation  
5 by each utility, which the Commission shall take into consideration in its review of each utility's  
6 filing. Within 120 days of the utility's filing, the Commission shall approve or modify and approve  
7 each utility's distributed power plant program proposal for immediate implementation by the utility.

8 (b) The distributed power plant program proposal filed pursuant to subsection (a) of this  
9 section shall be developed for implementation through a standard offer, open access tariff for  
10 distributed energy resources to provide system peak load reduction and other grid services. The  
11 distributed power plant program tariff shall be designed to:

12 (1) Allow customers with battery storage, non-battery storage and electric vehicle  
13 technologies to enroll their respective devices in the program under separate service riders for  
14 each technology type through aggregators or directly with the utility. The tariff filed pursuant to  
15 subsection (a) of this section shall at minimum include a rider for new and existing battery storage  
16 devices and shall incorporate additional riders for non-battery storage devices and electric  
17 vehicles no later than one year after the approval of the distributed power plant program approved  
18 in subsection (a);

19 (2) Provide a mechanism to incorporate existing programs such as smart thermostat  
20 demand response or electric vehicle charging programs currently offered by the utility into the

21 respective technology riders for operation under the distributed power plant program framework;

22 (3) Include grid services opportunities for each eligible technology that customers and  
23 aggregators may provide which shall include, at minimum, a system-wide peak load reduction  
24 service for the battery rider and may also include:

25 (A) Clean peak service;

26 (B) Local peak demand reduction;

27 (C) Locational value;

28 (D) The avoidance or deferral of transmission or distribution upgrades or capacity  
29 expansion;

30 (E) Voltage support and other ancillary services;

31 (F) Emergency services; and

32 (G) Such other functions and grid service opportunities that the commission determines  
33 are supportive of efficient planning and operation of the electrical grid.

34 (4) Provide operational parameters for each eligible program rider and grid service which  
35 shall include at minimum:

36 (A) Minimum and maximum numbers of grid events for which the utility may dispatch the  
37 enrolled distributed energy resources;

38 (B) Months of the year that grid events may occur;

39 (C) Days of the week that grid events may occur;

40 (D) Times of day that grid events may occur;

41 (E) Maximum duration of grid events; and

42 (F) Minimum day-ahead advance notification requirement of grid events, except for  
43 emergency events, as applicable.

44 (5) Include provisions for aggregators to participate in the distributed power plant program,  
45 automatically enroll and manage their customers' participation, receive dispatch signals and other  
46 communications from the utility, deliver performance measurement and verification data to the

47 utility, and receive distributed power plant program payments directly from the utility;

48 (6) Include provisions for direct participant customers to enroll and participate directly with  
49 the utility, receive dispatch signals and other communications from the utility, deliver performance  
50 measurement and verification data to the utility, and receive distributed power plant program  
51 payments directly from the utility: *Provided*, That any provisions implementing this subdivision that  
52 necessitate the installation of equipment to enable direct participation via the utility shall apply to  
53 customers who elect to participate as a direct participant and shall not be required of customers  
54 who participate via an aggregator or to customers who do not participate in the distributed power  
55 plant program;

56 (7) Provide for measurement and verification of battery performance directly at the device  
57 without the requirement for the installation of an additional meter and such other measurement  
58 standards for non-battery and electric vehicle technologies for approval by the Commission;

59 (8) Include upfront payment and performance payment compensation mechanisms for the  
60 battery rider system peak reduction service based on the average capacity provided during grid  
61 events, and such other compensation mechanisms as the Commission determines appropriate for  
62 other grid services provided under the battery, non-battery, and electric vehicle riders. The  
63 distributed power plant program shall not assess penalties for non-performance; however, the  
64 Commission may approve reasonable mechanisms to disenroll customers for continued non-  
65 performance;

66 (9) Include a higher upfront payment for certain customer classes, including, but not limited  
67 to, low-to-moderate income customers and customers located in environmental justice and other  
68 disadvantaged communities in addition to performance payments. The Commission shall  
69 coordinate with state energy officials and departments to make funding from the federal Inflation  
70 Reduction Act. Pub. L. 117-169 and such other sources as may be available for use in providing  
71 higher upfront payments to customer classes as may be approved by the Commission for the  
72 higher upfront payment in accordance with this subsection;

73 (10) Allow participants to lock in the performance payment rate applicable at the time of  
74 enrollment for a minimum of five years, after which time the participant may re-enroll at the then  
75 applicable performance payment rate for an additional five-year term;

76 (11) In addition to the compensation for each grid service the tariff shall provide that energy  
77 exported from a participating distributed energy resource shall be credited to the enrolled  
78 customer at a value equal to the retail rate charged by the utility for energy at the time of the export,  
79 irrespective of the export compensation rate specified in the customer's underlying  
80 interconnection tariff. Nothing in this section shall affect the rate of compensation for energy that is  
81 exported outside of a grid event under a commission-approved distributed power plant;

82 (12) Provide that enrolled customers may co-participate in any applicable underlying  
83 interconnection tariff and may provide multiple grid services or co-participate in other riders under  
84 the distributed power plant program or other grid service programs outside the distributed power  
85 plant program, including wholesale market programs, except as otherwise provided by the  
86 commission. Enrolled customers shall remain eligible to receive state and federal incentives in  
87 addition to any compensation received for participating in the distributed power plant program; and

88 (13) The utility may include other reasonable requirements for participation consistent with  
89 this subsection: *Provided*, That the utility shall not require collateral from a direct participant or an  
90 aggregator;

91 (c) Utility-owned resources shall not be eligible to participate in the distributed power plant  
92 program. Utilities and utility affiliates may not be aggregators.

93 (d) The utility may contract with a third party distributed energy resource management  
94 system provider to assist with program implementation provided that implementation of the  
95 program shall not be delayed due to the lack of utility-owned distributed energy resource  
96 management system capabilities or third party distributed energy resource management system  
97 capabilities.

**§24-2J-4. Utility cost recovery and earning opportunities.**

1           (a) Utilities may seek to recover prudently incurred costs to facilitate the distributed power  
2 plant program approved pursuant to §24-2J-3 of this code, including but not limited to: distributed  
3 energy resource management system provider and other service contract costs, operations and  
4 maintenance expenses, information technology costs, and such other costs, expenses and  
5 investments the Commission finds necessary and prudent for the development and  
6 implementation of the program.

7           (b) The provisions of subsection (a) of this section notwithstanding, the utility shall recover  
8 the cost of distributed power plant program performance payments and any other payments made  
9 to participants through cost recovery mechanisms approved by the Commission. The Commission  
10 may allow a reasonable rate of return on the cost of payments made for grid services and shall  
11 take any such allowance into consideration when developing performance incentives pursuant to  
12 the following section.

**§24-2J-5. Performance targets and incentives.**

1           (a) The Commission shall initiate a proceeding to develop capacity procurement targets  
2 applicable to the utility for the utilization of the distributed power plant program with corresponding  
3 performance incentives for achieving the established targets in accordance with the provisions of  
4 this section.

5           (b) Within 270 days of the effective date of this act. the commission shall, at minimum:

6           (1) Establish annual capacity procurement and performance targets for the system peak  
7 reduction service which shall be designed to meaningfully increase year-over-year the amount of  
8 capacity procured for system peak reduction over a five-year period. The Commission shall  
9 establish corresponding performance incentives for achieving the target established for each year  
10 of the performance period;

11           (2) The performance incentives established pursuant to this subsection shall include  
12 financial rewards for achieving the targets and may include financial penalties for failure to achieve  
13 the targets;

14 (3) The commission shall establish new targets for subsequent five-year periods; and

15 (4) The performance targets and incentives established pursuant to this section shall take  
16 effect no later than the beginning of the second calendar year following the year in which the  
17 Commission approves a utility's distributed power plant program pursuant to §24-2J-3 of this code.

18 (c) The commission shall develop additional targets and performance incentives for  
19 additional grid services adopted pursuant to subsection §24-2J-3(b) of this code no later than 270  
20 days after such additional grid services are approved for implementation through the tariff, which  
21 shall take effect no later than the beginning of the second calendar year following the year in which  
22 the Commission approves such additional grid services.

23 (d) Each utility shall file an annual report no later than January 31 of each year that shall  
24 include, at minimum: the total capacity enrolled in each Program Rider developed pursuant to the  
25 requirements of §24-2J-3 of this code, broken out by technology type, customer class, aggregator  
26 or direct participant status, the grid service or grid services that the distributed energy resource is  
27 enrolled to provide, recommendations to increase participation in the distributed power plant  
28 program, and such other information as the commission may require from time to time.

## **ARTICLE 2K. COMMUNITY ENERGY PROGRAM.**

### **§24-2K-1. Definitions.**

1 As used in this article:

2 "Agrivoltaics" means the simultaneous use of areas of land for both solar power generation  
3 and agriculture.

4 "Applicable bill credit rate" means the dollar-per-kilowatt-hour rate previously approved by  
5 the Public Service Commission in docket 23-0460-E-42T, which will be used to calculate a  
6 subscriber's electricity bill.

7 "Bill credit" means the monetary value of each kilowatt hour of electricity generated by a  
8 community energy facility and allocated to a subscriber's monthly bill to offset that subscriber's  
9 electricity bill which shall be on a one-to-one basis in kilowatt-hours, exclusive of fees, and

10 calculated by multiplying the kilowatt-hours by the applicable bill credit rate.

11 "Brownfield" means real property the expansion, redevelopment, or reuse of which may be  
12 complicated by the presence or potential presence of a hazardous substance, pollutant, or  
13 contaminant.

14 "Commission" means the West Virginia Public Service Commission.

15 "Community energy facility" means an electricity-generation facility operating under a  
16 subscriber plan in which subscribers' electric power bills include a bill credit against the total  
17 electricity consumed that is in proportion to the size of their subscription.

18 "Community energy program" or "program" means the program created through the  
19 adoption of rules by the Public Service Commission pursuant to this article to allow for the  
20 development of community energy facilities as provided in §24-2K-2 of this code. This program is  
21 distinct and separate from the existing net metering program as provided pursuant to §24-2F-8 of  
22 this code.

23 "Low-income customer" means an individual or household with an income at or below 80  
24 percent of the subscriber's county's area median income.

25 "Low-income service organization" means an organization or nonprofit whose function is to  
26 provide services or assistance to low-income individuals.

27 "Net crediting" means a program under which the utility, upon authorization by or on behalf  
28 of an eligible customer, remits the portion of the bill credit that represents the subscription fee  
29 directly to the subscriber organization of a project and places the remaining bill credit on the  
30 eligible customer's bill. In order to participate in net crediting, a customer's subscription fee shall  
31 be calculated as a percentage of the bill credit that appears on a subscriber's bill. Such percent  
32 must be less than 100 percent. The utility may charge the subscriber organization a fee of up to  
33 one percent of the bill credit value remitted to the subscriber organization to cover the costs of  
34 implementing net crediting.

35 "Qualifying site" means a site made up of one or more contiguous parcels of land where

36 the majority of the acreage utilized for a community energy facility:

37 (1) Has been previously used in electric generation, industrial, manufacturing or mining  
 38 operations, including, but not limited to: rooftops, brownfields, closed landfills, hazardous waste  
 39 sites, standing water or floating sites, former industrial sites, and former mining sites; and

40 (2) Will be utilized for the deployment of agrivoltaics, as defined by this section.

41 "Subscriber" means a retail electric customer of a utility who owns one or more  
 42 subscriptions of a community solar facility interconnected with that utility. A subscriber must be  
 43 located in the same electric utility service territory where the community solar facility is located.

44 "Subscriber organization" means any for-profit or tax-exempt entity that owns, operates, or  
 45 manages one or more community solar facilities. A subscriber organization shall not be  
 46 considered a utility pursuant to this chapter solely as a result of its ownership or operation of a  
 47 community solar facility.

48 "Subscription" means a contract between a subscriber and a subscriber organization. A  
 49 subscription shall be sized such that the estimated bill credits do not exceed the subscriber's  
 50 average annual bill for the customer account to which the subscription is attributed.

51 "Utility" means a public utility as defined in §24-1-2 of this code: *Provided*, That for the  
 52 purposes of this article, utility does not include rural electric cooperatives, municipal utilities, nor  
 53 utilities serving less than 30,000 customers.

**§24-2K-2. Requirements for community energy facilities.**

1 (a) A community energy facility subject to the provisions of this article and to legislative  
 2 rules approved hereunder, shall meet the following requirements:

3 (1) The facility generates electricity by means of a solar photovoltaic device or uses as its  
 4 fuel either solar, wind, biomass, landfill gas, or hydroelectric power; or uses a microturbine, natural  
 5 gas-fired generator, energy storage system, or a fuel cell;

6 (2) The facility is located in this state and is directly connected to an electric distribution  
 7 utility's distribution system;

8 (3) The facility has at least three subscribers;

9 (4) The facility is located on a single parcel of land and there is no community energy  
10 facility on the same or a contiguous parcel that is developed, owned, or operated by the same  
11 entity, affiliated entity, or entity under common control;

12 (5) No subscriber holds more than a 60 percent proportional interest in the output of the  
13 system which shall be measured as the sum of all meters on the subscriber's property;

14 (6) Not less than 30 percent of the facility capacity may be provide or allocated to  
15 subscriptions of 25 kilowatts or less. For purposes of this subsection a multi-unit building served by  
16 a single meter shall be considered a single customer provided the average usage, based on the  
17 number of units, is 25 or less;

18 (7) The facility has a nameplate capacity of five or fewer megawatts, or 10 or fewer  
19 megawatts if the facility is on a 'qualifying' site or one or more commercial or public sector rooftops  
20 as measured at the point of interconnection. The facility will be subject to the aggregate capacity  
21 limitation for each utility as provided by the Commission in accordance with §24-2K-3 of this code;

22 (8) The facility is not under the control of an electric distribution utility, but may be under the  
23 control of an affiliate of the utility;

24 (9) The facility must be located within the service territory of the utility;

25 (10) The facility must be connected to the electric distribution grid serving the state; and

26 (11) The facility must be located on a parcel or contiguous parcels of land such that no  
27 project is located on a single parcel, or projects located on contiguous parcels exceed allowable  
28 project size.

29 (b)(1) If the facility uses either an energy storage system or natural gas-fired generator  
30 then the energy storage system or generator is not sized so as to exceed the size of any co-  
31 located facility using solar, wind, biomass, landfill gas, or hydroelectric power as its fuel.

32 (2) If the system uses both an energy storage system and natural gas-fired generator then  
33 the combined nameplate capacity of the storage system and generator is not sized so as to

34 exceed the size of any co-located facility using solar, wind, biomass, landfill gas, or hydroelectric  
35 power as its fuel.

**§24-2K-3. Program creation and implementation; proposal of legislative rules.**

1 (a) Pursuant to its authority under §24-1-7 of this code, the Commission shall propose  
2 rules for legislative approval, in accordance with the provisions of §29A-3-1 et seq. of this code, to  
3 establish a community energy program that is substantively similar in nature to community energy  
4 programs offered in other states. The rules must outline requirements for community energy  
5 programs in West Virginia and must include schedules for each utility to file any tariffs,  
6 agreements, or forms necessary for implementation of the program. For schedules and methods  
7 for interested parties to comment on the proposed tariffs, agreements, and forms, and schedules  
8 for final commission approval and implementation. Any such tariffs shall be consistent with the bill  
9 credit rates established by this article.

10 (b) The rules promulgated by the Commission and any associated filing to be approved by  
11 the Commission shall:

12 (1) Establish an aggregate capacity limitation for each utility such that generation from  
13 community energy facilities does not exceed: 750 MWac among utilities. All megawatts certified  
14 pursuant to this section shall be allocated proportionally based off of the size of each utility's retail  
15 electric sales published by the energy information administration. Program duration will be 10  
16 years from final rule making and reviewed by the overseeing regulatory agency at that time. The  
17 Commission may increase the aggregate capacity limitations for a utility to allow a project that  
18 provides additional electric service to businesses making a capital investment in a new or  
19 expanded industrial facility located in West Virginia and resulting in new electric generating load to  
20 the utility;

21 (2) Ensure broad competition for the development, ownership, and operation of community  
22 energy facilities for third-party, non-utility entities that produce at least 75 percent of program  
23 capacity;

24 (3) Develop a bill credit that reasonably allows for the development and financing of  
25 community energy facilities by non-utility subscriber organizations;

26 (4) Provide for an electric utility company to apply a bill credit to a subscriber's next monthly  
27 electric bill for the proportional output of a community energy facility attributable to the subscriber,  
28 with excess credits on a subscriber's bill to roll over from month to month. An electric utility  
29 company shall automatically apply excess credits to the final electric bill when a subscription is  
30 terminated for any cause, any unused credits will go back to the utility;

31 (5) Value bill credits for subscriber's subsequent monthly electric bill for the proportional  
32 output of a community energy facility attributable to that subscriber for not less than 35 years from  
33 the date a community energy facility is first interconnected;

34 (6) Allow all customer classes to participate in the program on a first-come, first-served  
35 basis, and ensure participation opportunities for all customer classes;

36 (7) Prohibit up-front costs, credit checks, punitive fees, or other charges that undermine the  
37 feasibility of a community energy project's economics or customer energy bill savings;

38 (8) Include one or more mechanisms sufficient to ensure accessibility for low-income  
39 customers and low-income service organizations. The Commission shall ensure that mechanisms  
40 targeted toward low-income customers and low-income service organizations are crafted to  
41 achieve tangible economic benefits for low-income customers and should integrate with existing  
42 complementary programs, including, but not limited to, energy efficiency, energy assistance, or  
43 workforce development programs. In determining the appropriate mechanisms, the Commission,  
44 utilities, and stakeholders shall work with the Legislature and appropriate state agencies to  
45 consider the development of financing options, financial incentives, education and outreach  
46 programs, or appropriate program participation goals or minimums;

47 (9) Not remove a customer from its otherwise applicable customer class in order to  
48 subscribe to a community energy facility;

49 (10) Reasonably allow for the transferability and portability of subscriptions, including

50 allowing a subscriber to retain a subscription to a community energy facility if the subscriber  
51 moves within the same electric utility territory;

52 (11) Clarify existing interconnection standards for distributed customer generator  
53 generation facilities to efficiently and effectively interconnect community energy projects and to  
54 ensure that projects are not prohibited from applying for interconnection and being placed in the  
55 interconnection queue after the effective date of this article;

56 (12) Provide for consumer protection in accordance with existing laws and consistent with  
57 consumer protections provided in programs managed by peer utilities;

58 (13) Address the co-location of two or more community energy facilities on a single or  
59 contiguous parcel of land, and provide guidelines for determining aggregate capacity of each  
60 project when two or more facilities are co-located;

61 (14) Encourage adherence to best market practices for construction and decommissioning  
62 of community energy facilities; and

63 (15) Include a program implementation schedule.

**§24-2K-4. Additional requirements for allocation of costs and credits.**

1 (a) A community energy organization shall compensate an electric distribution company  
2 for the electric distribution company's reasonable costs of interconnection of a community energy  
3 facility.

4 (b) An electric distribution company may recover reasonable costs from each subscriber  
5 organization subject to approval by the Commission to administer a community energy program  
6 within the electric distribution company's service territory of a community energy facility.

7 (c) An electric utility company purchase of unsubscribed energy from a community energy  
8 facility shall be made at the electric utility's wholesale energy cost as determined by the  
9 Commission.

**§24-2K-5. Interconnection working group.**

1 Within 90 days of the effective date of this act, the Commission shall establish an

2 interconnection working group between electric distribution companies and stakeholders with  
3 oversight from commission staff. The interconnection working group shall review and recommend  
4 changes to policies, processes, tariffs, rules, or standards associated with the interconnection of  
5 community energy facilities with the goal of transparency, accuracy, and efficiency to support the  
6 purposes of this act. The Interconnection working group shall submit a report to the Commission of  
7 the recommended changes within 270 days of the effective date of this article. Based on the  
8 recommended changes in the report, the Commission shall adopt the changes in the state  
9 jurisdictional interconnection rules as the commission deems necessary or appropriate.

**§24-2K-6. Program sunset**

1 The provisions of this article shall expire on December 31, 2036. The expiration of this  
2 section shall not affect any community energy projects previously approved by the Commission  
3 pursuant to this section on or before December 31, 2036.

NOTE: The purpose of this bill is to allow a more consumer-oriented approach to the setting of public utility rates by the Public Service Commission by prioritizing the interests of utility service customers; providing protections to certain disabled rate-payers; and authorizing cost-saving measures such as: the use of portable electrical generation devices without notification to electric utilities; establishing distributed power plant production systems; and authorizing the operation of certain power generation facilities under a subscriber model.

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