
By: **Delegate Walkup**
Introduced and read first time: February 26, 2003
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Companies - Net Energy Metering - Wind Electric Generating**
3 **Facilities**

4 FOR the purpose of expanding the provisions of law relating to net energy metering
5 with respect to electricity generated by electric company customers who own
6 solar electric generating facilities to include eligible customers who own certain
7 wind electric generating facilities; requiring wind electric generating systems
8 used by eligible customers to meet certain safety and performance standards;
9 prohibiting an electric company from requiring eligible customers who own and
10 operate wind electric generating facilities to meet certain additional
11 requirements; and generally relating to net energy metering in connection with
12 wind electric generating facilities.

13 BY repealing and reenacting, with amendments,
14 Article - Public Utility Companies
15 Section 7-306
16 Annotated Code of Maryland
17 (1998 Volume and 2002 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Public Utility Companies**

21 7-306.

22 (a) (1) In this section the following words have the meanings indicated.

23 (2) "Eligible customer-generator" means a customer that:

24 (i) is served by an electric company at:

25 1. a single-family dwelling which is:

26 A. a residence of the customer on a residential service tariff;

27 or

- 1 B. the principal residence of the customer on a general
 2 service tariff;
- 3 2. a public or nonpublic elementary or secondary school; or
- 4 3. a public or nonpublic institution of postsecondary
 5 education; and

6 (ii) owns and operates a solar electrical generating facility OR A
 7 WIND ELECTRIC GENERATING FACILITY that:

- 8 1. has a capacity of not more than 80 kilowatts;
- 9 2. is located on the customer's premises;
- 10 3. is interconnected and operated in parallel with an electric
 11 company's transmission and distribution facilities; and
- 12 4. is intended primarily to offset all or part of the customer's
 13 own electricity requirements.

14 (3) "Net energy metering" means measurement of the difference between
 15 the electricity that is supplied by an electric company and the electricity that is
 16 generated by an eligible customer-generator and fed back to the electric company
 17 over the eligible customer-generator's billing period.

18 (b) The General Assembly finds and declares that a program to provide net
 19 energy metering for eligible customer-generators is a means to encourage private
 20 investment in renewable energy resources, stimulate in-State economic growth,
 21 enhance continued diversification of the State's energy resource mix, and reduce costs
 22 of interconnection and administration.

23 (c) An electric company serving an eligible customer-generator shall ensure
 24 that the meter installed for net energy metering is capable of measuring the flow of
 25 electricity in two directions.

26 (d) The Commission shall require electric utilities to develop a standard
 27 contract or tariff for net energy metering and make it available to eligible
 28 customer-generators on a first-come, first-served basis until the rated generating
 29 capacity owned and operated by eligible customer-generators in the State reaches
 30 34.722 megawatts, 0.2% of the State's adjusted peak-load forecast for 1998.

31 (e) (1) A net energy metering contract or tariff shall be identical, in energy
 32 rates, rate structure, and monthly charges, to the contract or tariff that the customer
 33 would be assigned if the customer were not an eligible customer-generator.

34 (2) (i) A net energy metering contract or tariff may not include charges
 35 that would raise the eligible customer-generator's minimum monthly charge above
 36 that of customers of the rate class to which the eligible customer-generator would
 37 otherwise be assigned.

1 (ii) Charges prohibited by this paragraph include new or additional
2 demand charges, standby charges, customer charges, and minimum monthly charges.

3 (f) The electric company shall calculate net energy metering, subject to the
4 following:

5 (1) net energy produced or consumed on a monthly basis shall be
6 measured in accordance with standard metering practices;

7 (2) if electricity supplied by the grid exceeds electricity generated by the
8 eligible customer-generator during a month, the eligible customer-generator shall be
9 billed for the net energy supplied in accordance with subsection (e) of this section; and

10 (3) if electricity generated by the eligible customer-generator exceeds
11 the electricity supplied by the grid, the eligible customer-generator shall be required
12 to pay only customer charges for that month in accordance with subsection (e) of this
13 section.

14 (g) (1) A solar-electric generating system OR A WIND ELECTRIC
15 GENERATING SYSTEM used by an eligible customer-generator shall meet all
16 applicable safety and performance standards established by the National Electrical
17 Code, the Institute of Electrical and Electronics Engineers, and Underwriters
18 Laboratories.

19 (2) The Commission may adopt by regulation additional control and
20 testing requirements for eligible customer-generators that the Commission
21 determines are necessary to protect public safety and system reliability.

22 (3) An electric company may not require an eligible customer-generator
23 whose solar-electric generating system OR WIND ELECTRIC GENERATING SYSTEM
24 meets the standards of paragraphs (1) and (2) of this subsection to:

25 (i) install additional controls;

26 (ii) perform or pay for additional tests; or

27 (iii) purchase additional liability insurance.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2003.