

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**

House Bill 669 (Delegate Franchot)  
Economic Matters

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**Electric Companies - Net Energy Metering - Definitions and Wind Electric  
Generating Facilities**

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This bill alters the definition of eligible customer-generator relating to the net energy metering program, adds wind electric generating systems to the program currently available only for solar electric generating systems, and changes the eligible generating capacity from 80 to 500 kilowatts.

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**Fiscal Summary**

**State Effect:** The bill's changes could be handled with existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** Potential minimal.

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**Analysis**

**Summary:** The bill repeals the requirement that an eligible customer-generator be served by an electric company: (1) at a single-family residence which is a residence of the customer on a residential service tariff or the principal residence of the customer on a general service tariff; (2) a public or nonpublic elementary or secondary school; or (3) a public or nonpublic institution of postsecondary education. It adds wind electric generating facility to the definition of eligible customer-generators.

**Background:** Chapter 484 of 1997 established the solar net energy metering program to: (1) encourage private investment in renewable energy resources; (2) stimulate in-state economic growth; (3) enhance continued diversification of the State's energy resource mix; and (4) reduce costs of interconnection and administration. While the rated

generating capacity for the program is capped in statute at 34.722 megawatts, the Public Service Commission reports that the program generates substantially less than one megawatt annually in the State.

**Current Law:** For the solar net energy metering program, an eligible customer-generator is defined as a customer that is served by an electric company at:

- a single-family dwelling, which is a residence or principal residence of the customer on a general service tariff;
- a public or nonpublic elementary or secondary school; or
- a public or nonpublic institution of postsecondary education.

The eligible customer-generator must own and operate a solar electrical generating facility that:

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

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### **Additional Information**

**Prior Introductions:** HB 1392 of 2002, a similar bill, received an unfavorable report from the House Environmental Matters Committee.

**Cross File:** None.

**Information Source(s):** Maryland Energy Administration, Public Service Commission, Office of People's Counsel, Department of Legislative

**Fiscal Note History:** First Reader - March 7, 2003  
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