

SECOND REGULAR SESSION

# SENATE BILL NO. 872

91ST GENERAL ASSEMBLY

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INTRODUCED BY SENATORS DOUGHERTY AND GOODE.

Pre-filed January 3, 2002, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

2750S.011

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## AN ACT

To amend chapter 640, RSMo, by adding thereto one new section relating to the promotion of energy.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 640, RSMo, is amended by adding thereto one new section, to be known as section 640.887, to read as follows:

**640.887. 1. This section shall be known and may be cited as the "Consumer Clean Energy Act".**

**2. As used in this section, the following terms mean:**

- (1) "Commission", the public service commission of the state of Missouri;**
- (2) "Customer-generator", the owner or operator of a qualified net metering unit;**
- (3) "Local distribution system", any system for the distribution section of electric energy to the ultimate consumer thereof, regardless of whether the owner or operator of such system is also an electric supplier;**
- (4) "Net energy metering", a measurement of the difference between the electricity supplied to a customer-generator and the electricity generated by a customer-generator that is delivered to a local distribution section system at the same point of interconnection during a customer-generator's given billing period;**
- (5) "Qualified generation unit", a qualified net metering unit of a retail electric supplier;**
- (6) "Qualified net metering unit", an electric generation unit which:
  - (a) Is a hydrogen fuel cell or is powered by sun, wind or biomass;****

**(b) Has an electrical generating system with a capacity of not more than one hundred kilowatts per day;**

**(c) Is located on the premises that are owned, operated, leased or otherwise controlled by the customer-generator;**

**(d) Is interconnected and operates in parallel with a retail electric supplier; and**

**(e) Is intended primarily to offset part or all of the customer-generator's own electrical requirements;**

**(7) "Retail electric supplier" or "supplier", any person that sells electric energy to the ultimate consumer thereof.**

**3. By August 28, 2002, each retail electric supplier shall comply with and shall notify all of its retail customers not less frequently than quarterly of each of the following requirements:**

**(1) The supplier shall make available on a first-come first-served basis, either directly or through a local distribution company or other third party, to each customer-generator that has installed a qualified net metering unit that notifies the supplier of the unit's generating capacity, an electric energy meter capable of net metering if the customer-generator's existing electrical meter cannot perform net metering; and**

**(2) Rates, charges, conditions and contract terms for the sale of electric energy, including minimum monthly fees, shall be the same as those which apply to persons who are not customer-generators. Any retail electric supplier or local distribution company may, at its own expense, install one or more additional electric energy meters to monitor the flow of electricity in either direction, to reflect the time of generation or both. Whenever a customer-generator with a qualified net metering unit uses any energy generation system entitled to credits under a federal minimum renewable energy generation requirement, the total amount of energy generated by that system shall be treated as generated by the retail electric supplier for purposes of such requirement.**

**4. Each retail electric supplier shall calculate the net energy measurement for a customer-generator using a qualified net metering unit in the following manner:**

**(1) The retail electric supplier shall measure the net electricity produced or consumed during each billing period using an electric energy meter capable of such a function;**

**(2) If the electricity supplied by the retail electric supplier exceeds the electricity generated by the customer-generator during a billing period, then the customer-generator shall be billed for the net electricity supplied by the retail electric supplier in accordance with normal metering practices; and**

**(3) If electricity generated by the customer-generator exceeds the electricity supplied by the retail electric supplier, then the customer-generator:**

- (a) Shall be billed for the appropriate customer charges for that billing period;**
- (b) Shall be credited for the excess electric energy generated during the billing period, with this credit appearing on the bill for the following billing period, except for a billing period that ends in the next calendar year; and**
- (c) Shall not be charged for transmission losses.**

**The credit shall be based on the retail rates for sale by the retail electric supplier during the month of generation. At the beginning of each calendar year, any remaining unused kilowatt-hour credit accumulated by a customer-generator during the previous year shall be credited to low-income customers of the electric company in an amount equal to the avoided cost of the retail electric supplier, pursuant to procedural regulations adopted by the department of social services.**

**5. A local distribution company which is a retail electric supplier shall not be required to provide net metering service with respect to additional customer-generators after the date during any calendar year on which the total generating capacity of all customer-generators with qualified generation facilities and qualified net metering units served by that local distribution company is equal to or in excess of one percent of the capacity necessary to meet the company's average forecasted aggregate customer peak demand for that calendar year.**

**6. Each retail electric supplier shall maintain and make available to the public records of the total generating capacity of customer-generators of the local distribution system that are using net metering, the type of generating systems and energy source used by the electric generating systems which customer-generators use. Each such retail electric supplier shall notify the commission when the total generating capacity of such customer-generators is equal to or in excess of one percent of the capacity necessary to meet the supplier's aggregate customer peak demand during the previous calendar year.**

**7. Each qualified generation unit and qualified net metering unit used by a customer-generator shall meet all applicable safety, performance, interconnection and reliability standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.**

**8. No retail electric supplier shall require a customer-generator whose qualified net metering unit meets the standards of subsection 7 of this section to install additional controls, perform or pay for additional tests, or purchase additional liability insurance.**

**9. Applications by a customer-generator for interconnection to the distribution**

**system shall be reviewed and responded to by the retail electric supplier within thirty days. If the application for interconnection is approved by the retail electric supplier, the retail electric supplier shall complete the interconnection within fifteen days, unless a later date is mutually agreeable to both the customer-generator and the retail electric supplier.**

**10. At the election of the owner or operator of a qualified generation unit or net metering unit concerned, connections meeting the models standard promulgated pursuant to subsection 11 of this section may be made:**

- (1) By such owner or operator at such owner's or operator's expense; or**
- (2) By the owner or operator of the local distribution system upon the request of the owner or operator of the qualified generating unit or qualified net metering unit and pursuant to an offer by the owner or operator of such a unit to reimburse the local distribution system in an amount equal to the minimum cost of such connection, consistent with the procurement performed by a qualified licensed electrical person.**

**11. The commission, in consultation with the department of natural resources, shall promulgate regulations insuring that simplified contracts will be used for the interconnection of electric energy transmission or distribution systems and generating facilities that have a power production capacity not greater than one hundred kilowatts.**

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