

House Bill 431

By: Representatives Brockway of the 102nd, Drenner of the 85th, Dollar of the 45th, and Hatchett of the 150th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to
2 electrical service, so as to change certain provisions relating to "The Georgia Cogeneration
3 and Distributed Generation Act of 2001" and the "Solar Power Free-Market Financing Act
4 of 2015"; to change certain definitions; to change certain provisions relating to electric
5 service providers and rates and fees; to provide for public notice and comment; to change
6 certain provisions relating to measurement and payment of energy flow; to change certain
7 provisions relating to requirements to purchase energy from customer generator and safety
8 standards and regulations; to change certain provisions relating to requirements upon retail
9 electric customer utilizing solar technology connected to an electric system of an electric
10 service provider; to provide for related matters; to repeal conflicting laws; and for other
11 purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 style="text-align:center">**SECTION 1.**

14 Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to electrical service,
15 is amended by revising paragraphs (5) and (12) of Code Section 46-3-52, relating to
16 definitions relative to "The Georgia Cogeneration and Distributed Generation Act of 2001,"
17 as follows:

18 "(5) 'Distributed generation facility' means a facility owned and operated by a customer
19 of the electric service provider for the production of electrical energy that:

20 (A) Uses a solar ~~Photovoltaic~~ photovoltaic system, fuel cell, or wind turbine;

21 (B) Has a peak generating capacity of not more than ~~10kw~~ 10 kilowatts for a
22 residential application and ~~100kw~~ 125 percent of peak load up to, but not exceeding,
23 500 kilowatts for a commercial application;

24 (C) Is located on the customer's premises;

25 (D) Operates in parallel with the electric service provider's distribution facilities;

26 (E) Connected to the electric service provider's distribution system on either side of the
 27 electric service provider's meter; and

28 (F) Is intended primarily to offset part or all of the customer generator's requirements
 29 for electricity."

30 ~~"(12) 'Renewable energy sources' means energy supplied from technologies as approved
 31 in the Georgia Green Pricing Accreditation Program."~~

32 SECTION 2.

33 Said chapter is further amended by revising Code Section 46-3-54, relating to electric service
 34 providers and rates and fees, as follows:

35 "46-3-54.

36 An electric service provider:

37 (1) Shall make either bidirectional metering or single directional metering available to
 38 customer generators depending on how the customer chooses to connect the distributed
 39 generation facility ~~is connected~~ to the distribution system of the electric service provider;

40 (2) Shall enter into a written agreement with the customer generator to charge the
 41 customer generator the rate established by the commission, or the appropriate governing
 42 body, in the case of any other electric service provider or electric supplier, for metering
 43 services;

44 (3) In setting the fees for metering service, the commission, or the appropriate governing
 45 body, in the case of any other electric service provider or electric supplier, ~~will~~ shall
 46 include the direct costs associated with interconnecting or administering metering
 47 services or distributed generation facilities and ~~will~~ shall not allocate these costs among
 48 the utility's entire customer base; and

49 (4) In establishing such a fee for metering services, the electric service provider shall not
 50 charge the customer generator any standby, capacity, facilities, interconnection, or other
 51 fee or charge, other than a just and reasonable monthly service charge, unless ~~agreed to~~
 52 ~~by the customer generator or~~ approved by the commission, in the case of an electric
 53 utility, or the appropriate governing body, in the case of any other electric service
 54 provider or electric supplier, after public notice and an opportunity for public comment.
 55 All fees imposed on customer generators shall be just and reasonable and shall not be
 56 discriminatory in violation of subsection (a) of Code Section 46-3-11."

57 SECTION 3.

58 Said chapter is further amended by revising Code Section 46-3-55, relating to measurement
 59 and payment of energy flow, as follows:

60 "46-3-55.

61 Consistent with the other provisions of this chapter, the energy flow shall be measured and
62 paid for in the following manner:

63 (1) If the distributed generation facilities are connected to the electric service provider's
64 distribution system on the customer generator's side of the customer's meter, the electric
65 service provider shall:

66 (A) Measure the electricity produced or consumed during the monthly billing period,
67 in accordance with normal metering practices using bidirectional metering;

68 (B) When the electricity supplied by the electric service provider exceeds the
69 electricity generated by the customer's distributed generation in the monthly billing
70 period, the electricity shall be billed by the electric service provider, in accordance with
71 tariffs filed with the commission; or

72 (C) When electricity generated by the customer's distributed generation system exceeds
73 the electricity supplied by the electric service provider in the monthly billing period, the
74 customer generator:

75 (i) Shall be billed for the appropriate customer charges for that monthly billing
76 period; and

77 (ii) Shall be credited for the excess kilowatt-hours generated during the monthly
78 billing period at an agreed to rate as filed with the commission, with this
79 kilowatt-hour credit appearing on the bill for the billing period; or

80 (2) If the distributed generation facilities are connected to the electric service provider's
81 distribution system on the electric service provider's side of the customer's meter, the
82 electric service provider shall:

83 (A) Measure the electricity produced or consumed during the monthly billing period,
84 in accordance with normal metering practices using single directional metering;

85 (B) Charge the customer generator a minimum monthly fee as established in Code
86 Section 46-3-54; and

87 (C) If there is electricity generated by the customer generator for the monthly billing
88 period, the customer generator shall be compensated at an agreed to rate as filed with
89 the commission."

90 **SECTION 4.**

91 Said chapter is further amended by revising Code Section 46-3-56, relating to the
92 requirement to purchase energy from customer generator and safety standards and
93 regulations, as follows:

94 "46-3-56.

95 (a) An electric service provider ~~will~~ shall only be required to purchase ~~energy~~ electricity
 96 as specified in Code Section 46-3-55 from an eligible customer generator on a first-come,
 97 first-served basis until the cumulative generating capacity of all ~~renewable energy sources~~
 98 equals 0.2 distributed generation facilities of the electric service provider equals 2 percent
 99 of the utility's annual peak demand in the previous year; ~~provided, however, that no electric~~
 100 ~~service provider will be required to purchase such energy at a price above avoided energy~~
 101 ~~cost unless that amount of energy has been subscribed under any renewable energy~~
 102 ~~program.~~

103 (b) ~~Once the capacity is subscribed, an electric service provider may purchase energy from~~
 104 ~~an eligible customer generator at a cost of energy as defined~~ The rate used to credit or
 105 compensate eligible customer generators as determined in Code Section 46-3-55 shall be
 106 set for a utility by the commission, in the case of an electric utility, or by the appropriate
 107 governing body, in the case of any other electric service provider or electric supplier, based
 108 upon a comprehensive assessment of the benefits and costs of the distributed generation
 109 facilities in the electric service provider's service territory; provided, however, that no
 110 electric service provider shall be required to purchase electricity from an eligible customer
 111 generator at a price above the electric service provider's avoided costs, as determined by
 112 such benefits and costs assessment unless that amount of electricity has been subscribed
 113 to under a renewable energy program.

114 (c) A distributed generation facility used by a customer generator shall include, at the
 115 customer's own expense, all equipment necessary to meet applicable safety, power quality,
 116 and interconnection requirements established by the National Electrical Code, National
 117 Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and
 118 Underwriters Laboratories.

119 (d) The commission, in the case of an electric utility, or the appropriate governing body,
 120 in the case of other electric service providers or electric suppliers, after appropriate public
 121 notice and opportunity for public comment, may adopt by regulation additional safety,
 122 power quality, and interconnection requirements for customer generator that the
 123 commission or governing body determines are necessary to protect public safety and
 124 system reliability.

125 (e) An electric service provider may not require a customer generator whose distributed
 126 generation facility meets the standards in subsections ~~(a)~~(c) and ~~(b)~~(d) of this Code section;
 127 to comply with additional safety or performance standards, perform or pay for additional
 128 tests, ~~or purchase additional liability insurance, or add an electric service provider as an~~
 129 additional insured to existing insurance policies.

130 (f) No electric service provider or electric supplier shall be liable to any person, directly
131 or indirectly, for loss of property, injury, or death resulting from the interconnection of a
132 cogenerator or distributed generation facility to its electrical system."

133 **SECTION 5.**

134 Said chapter is further amended by revising Code Section 46-3-64, relating to requirements
135 upon a retail electric customer utilizing solar technology connected to an electric system of
136 an electric service provider, as follows:

137 "46-3-64.

138 (a) For solar technology with a peak generating capacity of not more than 10 kilowatts for
139 a residential application and not more than ~~100~~ 500 kilowatts for a commercial application,
140 the electric service provider may require the retail electric customer or solar financing
141 agent to provide, at the retail electric customer's or solar financing agent's expense, all
142 equipment necessary to meet applicable safety, power quality, and interconnection
143 requirements established by the National Electrical Code, National Electrical Safety Code,
144 Institute of Electrical and Electronics Engineers, and Underwriters Laboratories, prior to
145 interconnecting the solar technology to the electric service provider's electric system. If
146 such applicable safety, power quality, and interconnection requirements are met, an electric
147 service provider shall not require compliance with additional safety or performance
148 standards, require the performance of or payment for additional tests, or require the
149 purchase of additional liability insurance.

150 (b) For solar technology with a peak generating capacity of more than 10 kilowatts for a
151 residential application and more than ~~100~~ 500 kilowatts for a commercial application, the
152 electric service provider may require compliance with additional requirements beyond
153 those specified in subsection (a) of this Code section. Such additional requirements shall
154 include only those necessary to protect public safety, power quality, and system reliability."

155 **SECTION 6.**

156 All laws and parts of laws in conflict with this Act are repealed.