Senate Bill 583

By: Senators Anavitarte of the 31st, Robertson of the 29th, Summers of the 13th, Hufstetler of the 52nd and Butler of the 55th

A BILL TO BE ENTITLED AN ACT

1 To amend Article 1 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated, 2 relating to generation and distribution of electricity generally, so as to change certain 3 provisions relating to "The Georgia Cogeneration and Distributed Generation Act of 2001" 4 and the "Solar Power Free-Market Financing Act of 2015"; to provide for definitions; to 5 expand the cumulative limit of generating capacity from distributed generation facilities to 6 be purchased by each electric utility; to provide the Public Service Commission with the 7 authority to determine the appropriate credit available once the existing credit limit is 8 reached; to allow certain tax-exempt customers to aggregate demand from multiple locations 9 and subscribe to certain off-site solar facilities; to allow customers to access their own meter 10 usage and to provide such usage data to authorized third parties; to provide for related 11 matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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SECTION 1.

14 Article 1 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to
15 generation and distribution of electricity generally, is amended by revising Part 3, relating
16 to "The Georgia Cogeneration and Distributed Generation Act of 2001," as follows:

"Part 3

- 18 46-3-50.
- 19 This part shall be known and may be cited as 'The Georgia Cogeneration and Distributed
- 20 Generation Act of 2001.'
- 21 46-3-51.
- 22 (a) The legislature finds that it is in the public interest to:
- 23 (1) Encourage private investment in renewable energy resources;
- 24 (2) Stimulate the economic growth of Georgia; and
- 25 (3) Enhance the continued diversification of the energy resources used in Georgia.
- (b) The General Assembly further finds and declares that a program to provide distributed generation for eligible cogenerators is a way to encourage private investment in renewable energy resources, stimulate in-state economic growth, enhance the continued diversification of this state's energy resource mix, and reduce interconnection and administrative costs.
- 31 46-3-52.
- 32 As used in this part, the term:
- (1) 'Bidirectional metering' means measuring the amount of electricity supplied by an
 electric service provider and the amount fed back to the electric service provider by the
 customer's distributed generation facility using the same meter.
- 36 (2) 'Cogeneration facility' means a facility, other than a distributed generation facility,
- 37 which produces electric energy, steam, or other forms of useful energy (such as heat)
- 38 which are used for industrial, commercial, heating, or cooling purposes.
- 39 (3) 'Commission' means the Georgia Public Service Commission.

40 (4) 'Customer generator' means the owner and operator of a customer that utilizes the 41 electrical energy from a distributed generation facility, and includes a customer that 42 finances a solar system pursuant to Code Section 46-3-63. 43 (5) 'Distributed generation facility' means a facility owned and operated by a customer 44 of the electric service provider utilized by a customer generator for the production of 45 electrical energy that: 46 (A) Uses a solar Photovoltaic photovoltaic system, fuel cell, or wind turbine; 47 (B) Has a peak generating capacity of not more than 10kw in alternating current that 48 is no greater than 15 kw for a residential application and 100kw 125 percent of the 49 actual or expected maximum annual peak demand of the premises that a solar 50 photovoltaic system serves for a commercial application; 51 (C) Is located on the customer's premises property. For purposes of this subparagraph, 52 the term 'property' shall have the same meaning as provided in Code Section 46-3-62; 53 (D) Operates in parallel with the electric service provider's distribution facilities; 54 (E) Is connected Connected to the electric service provider's distribution system on 55 either side of the electric service provider's meter; and 56 (F) Is intended primarily to offset part or all of the customer generator's requirements 57 for electricity. 58 (6) 'Electric membership corporation' means a corporation organized under Article 2 of 59 this chapter a public utility corporation regulated by the Public Service Commission 60 operating as an electric membership corporation under the provisions of Article 4 of 61 Chapter 3 of Title 46. 62 (7) 'Electric service provider' means any electric utility, electric membership corporation,

or municipal electric utility that is engaged in the business of distributing electricity to
 retail electric customers in the state.

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(8) 'Electric supplier' means any electric utility, electric membership corporation
furnishing wholesale service, any municipal electric utility or any other person which
furnishes wholesale service to any municipality, and the Tennessee Valley Authority.

- 68 (9) 'Electric utility' means any retail supplier of electricity whose rates are fixed by the69 commission.
- (10) 'Municipal electric utility' means a city or town that owns or operates an electricutility.
- (11) 'Person' means a natural person, corporation, trust, partnership, incorporated orunincorporated association, or any other legal entity.

74 (12) 'Solar technology' shall have the same meaning as provided in Code Section

75 <u>46-3-62.</u> 'Renewable energy sources' means energy supplied from technologies as

76 approved in the Georgia Green Pricing Accreditation Program.

77 46-3-53.

(a) Any person may operate a cogeneration facility without being subject to the
jurisdiction or regulation of the commission if such person uses all of the electric energy,
steam, or other form of useful energy produced at such cogeneration facility. The electric
energy shall not be sold to any other person except as provided in subsection (b) of this
Code section.

(b) Any person may operate a cogeneration facility and sell any excess electric energy to
an electric supplier without being subject to the jurisdiction or regulation of the
commission; provided, however, that nothing in this article part shall except a person from
compliance with federal law.

87 46-3-54.

88 An electric service provider:

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

92 (2) Shall enter into a written agreement with the customer generator to charge the
93 customer generator the <u>a commercially reasonable</u> rate established by the commission,
94 or the appropriate governing body; in the case of any other electric service provider or
95 electric supplier, for metering services;

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

- 101 (4) In establishing such a fee for metering services, the <u>The</u> electric service provider shall not charge the customer generator any standby, capacity, interconnection, or other fee or 102 charge, other than a monthly service charge, unless agreed to by the customer generator 103 104 or approved by the commission, in the case of an electric utility, or the appropriate 105 governing body, in the case of any other electric service provider or electric supplier so 106 long as the customer generator has a total monthly bill of at least \$20.00. All other fees 107 imposed on the customer generator shall: 108 (A) Be just, reasonable, and nondiscriminatory;
- 109 (B) Be based on the actual cost of providing the service for which the fee is imposed;
- 110 (C) Apply to other customers in the same customer class, including customers that are
- 111 not customer generators; and
- 112 (D) Be approved by the commission, in the case of an electric utility, or the appropriate
- 113 governing body in the case of any other electric service provider or electric supplier,
- 114 <u>after public notice and an opportunity for public comment.</u>

115 46-3-55.

Consistent with the other provisions of this chapter, the energy flow shall be measured andpaid for in the following manner:

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

(A) Measure the <u>net</u> electricity produced or consumed during the <u>monthly</u> billing
 period, in accordance with normal metering practices using bidirectional metering;

(B) When the monthly electricity supplied by the electric service provider exceeds the
monthly electricity generated by the customer's distributed generation in the monthly
billing period, the electricity shall be billed by the electric service provider, in
accordance with tariffs filed with the commission, with the electricity generated by the
customer's distributed generation offsetting the highest cost electricity supplied during
such monthly billing period; or

- (C) When <u>the monthly</u> electricity generated by the customer's distributed generation
 system exceeds the <u>monthly</u> electricity supplied by the electric service provider <u>in such</u>
 <u>monthly billing period</u>, the customer generator:
- (i) Shall be billed for the appropriate customer charges for that <u>such monthly</u> billingperiod; and

(ii) Shall be credited for the <u>net</u> excess kilowatt-hours generated during the <u>such</u>
<u>monthly</u> billing period at an agreed to <u>avoided cost</u> rate as filed with the commission,
with this <u>such</u> kilowatt-hour credit appearing on the bill for the <u>such</u> billing period;
or

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

- 141 (A) Measure the electricity produced or consumed during the <u>monthly</u> billing period,
- in accordance with normal metering practices using single directional metering;
- (B) Charge the customer generator a minimum monthly fee as established in CodeSection 46-3-54; and
- 145 (C) If there is electricity generated by the customer generator for the <u>monthly</u> billing
- 146 period, the customer generator shall be compensated at an agreed to rate as filed with
- 147 the commission.

148 46-3-56.

149 (a) An electric service provider will only shall be required to purchase energy electricity as specified in Code Section 46-3-55 from an eligible customer generator on a first-come, 150 151 first-served basis until the cumulative generating capacity of all renewable energy sources 152 equals 0.2 distributed generation facilities in its service territory equals 0.2 percent of an 153 electric membership corporation's or a municipal electric utility's annual peak demand in 154 the previous year, or 5 percent of the an electric utility's annual peak demand in the 155 previous year, without regard to the number of customer generators; provided, however, 156 that any generating capacity installed pursuant to Code Section 46-3-67 shall not be subject 157 to the cumulative generating thresholds set forth in this subsection ; provided, however, 158 that no electric service provider will be required to purchase such energy at a price above 159 avoided energy cost unless that amount of energy has been subscribed under any renewable 160 energy program. 161 (b) Once the capacity is subscribed, an electric service provider may purchase energy from 162 an eligible customer generator at a cost of energy as defined for a utility by the

commission, in the case of an electric utility, or by the appropriate governing body, in the
 case of any other electric service provider or electric supplier <u>5 percent threshold under</u>

- 165 <u>subsection (a) of this Code section is reached, the commission, in the case of an electric</u>
- 166 <u>utility</u>, shall commence an evidentiary proceeding to determine the appropriate crediting

167 mechanism for eligible customer generators that interconnect after the effective date 168 established in a final order as a result of such proceeding. In establishing such appropriate 169 crediting mechanism, the commission shall consider the direct and indirect economic 170 impact of distributed generation facilities to the state and shall avoid disruption to the growing market for distributed generation facilities. The crediting mechanism provided 171 172 under Code Section 46-3-55 shall remain in place unless and until replaced by a final order 173 of the commission pursuant to this Code section. The commission, in the case of an 174 electric utility, or the appropriate governing body in the case of any other electric service provider or any other electric supplier, may, if it deems appropriate, raise or remove the 175 176 percentage threshold under subsection (a) of this Code section at that time.

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

182 (d) The commission, in the case of an electric utility, or the appropriate governing body, 183 in the case of other electric service providers or electric suppliers, after appropriate notice 184 and opportunity for comment, may adopt by regulation additional safety, power quality, 185 and interconnection requirements for customer generator generators that the commission 186 or governing body determines are necessary to protect public safety and system reliability. 187 (e) An electric service provider may shall not require a customer generator whose 188 distributed generation facility meets the standards in subsections (a) and (b) of this Code 189 section, to comply with additional safety or performance standards, perform or pay for 190 additional tests, or purchase additional liability insurance, provided that the electric service 191 provider may require a distributed generation facility to comply with the same requirements that a solar technology with the same peak generating capacity would have 192 193 to satisfy pursuant to Code Section 46-3-64.

194 (f) No electric service provider or electric supplier shall be liable to any person, directly

or indirectly, for loss of property, injury, or death resulting from the interconnection of a cogenerator or distributed generation facility to its electrical system."

197 SECTION 2.
198 Said article is further amended by revising Part 4, relating to the "Solar Power Free-Market"

199 Financing Act of 2015"; as follows:

- 200 "Part 4
- 201 46-3-60.

202 This part shall be known and may be cited as the 'Solar Power Free-Market Financing Act

- 203 of 2015.'
- 204 46-3-61.

205 The General Assembly hereby finds and declares that:

206 (1) It is in the public interest to facilitate customers of electric service providers to invest

207 in and install on their property solar technologies of their choice;

(2) Free-market financing of solar technologies may provide more customers withopportunities to install solar technology;

210 (3) Solar energy procurement agreements, and other similar financing arrangements,

211 including those in which the payments are based on the performance and output of the

solar technology installed on the property of customers of electric service providers, are

- 213 financing arrangements which may help reduce or eliminate upfront costs involved in
- solar technology investments and installation by such customers; and

- 215 (4) Individuals and entities which offer or receive such financing opportunities through
- solar energy procurement agreements pursuant to this part should not be considered or
- treated as electric service providers.
- 218 46-3-62.

219 As used in this part, the term:

(1) 'Affiliate' means any entity directly or indirectly controlling or controlled by or under
 direct or indirect common control with an electric service provider.

222 (2) 'Aggregated solar facility' means a solar technology that is no more than 3 megawatts

223 in alternating current, serves one or more tax-exempt customers, and is located within the

- 224 <u>same electric service territory as such tax-exempt customers.</u>
- (2)(3) 'Capacity limit' means a peak generating capacity in alternating current that is no
 greater than:
- 227 (A) <u>Fifteen</u> Ten kilowatts, for a residential application; or

(B) One hundred and twenty-five percent of the actual or expected maximum annual

229 peak demand of the premises the solar technology serves, for a commercial application.

(3)(4) 'Control' means the power to significantly influence the management and policies

of any affiliate, directly or indirectly, whether through the ownership of voting securities,

- by contract, or otherwise.
- (4)(5) 'Electric service provider' means any electric supplier that is engaged in the
 business of distributing electricity to retail electric customers in this state.
- 235 (5)(6) 'Electric supplier' has the same meaning as provided in paragraph (3) of Code
 236 Section 46-3-3.
- (7) 'Electric utility' means any retail supplier of electricity whose rates are fixed by the
 commission.
- 239 (6)(8) 'Entity' means any business entity, including, but not limited to, a corporation,
- 240 partnership, limited liability company, or sole proprietorship.

241 (7)(9) 'Maximum annual peak demand' means the maximum single hour electric demand

actually occurring or expected to occur at a premises, measured at the premises' electricalmeter.

244 (8)(10) 'Person' means any individual or entity.

245 (9)(11) 'Premises' has the same meaning as provided in paragraph (6) of Code
246 Section 46-3-3.

(10)(12) 'Property' means the tract of land on which a premises is located, together with
all adjacent contiguous tracts of land <u>owned</u>, <u>occupied</u>, <u>leased</u>, <u>or</u> utilized by the same
retail electric customer.

(11)(13) 'Retail electric customer' means a person who that purchases electric service
 from an electric service provider for such person's use and not for the purpose of resale.

252 (12)(14) 'Solar energy procurement agreement' means any agreement, lease, or other

arrangement under which a solar financing agent finances the installation, operation, or

- both of solar technology in which the payments are based on the performance and output
- of the solar technology installed on the property.
- (13)(15) 'Solar financing agent' means any person, including an electric service provider
 and an affiliate, whose business includes the leasing, financing, or installation of solar
 technology.
- (14)(16) 'Solar technology' means a system that:

260 (A) Generates electric energy that is fueled solely by ambient sunlight;

(B) Is installed upon property owned or occupied by <u>of</u> a retail electric customer; and

(C) Is connected to the electric service provider's distribution system on either side of
the electric service provider's meter.

264 (17) 'Tax-exempt customer' means a governmental entity or any other entity that is

265 <u>exempt from state and federal income tax, including employees of those respective</u>
 266 entities.

46-3-63.

(a) Solar technology at or below the capacity limit may be financed by a retail electric
customer through a solar financing agent utilizing a solar energy procurement agreement,
provided that:

(1) Such solar technology and the installation thereof complies with all applicable state
laws and all applicable county and municipal ordinances and permitting requirements;
and

(2) The retail electric customer or the solar financing agent gives notice to the electric
service provider serving the premises at least 30 days prior to operation of such solar
technology.

(b) No electric service provider shall prevent or otherwise interfere with the installation,
operation, or financing of solar technology by a retail electric customer through a solar
financing agent pursuant to subsection (a) of this Code section, except that an electric
service provider may require the retail electric customer to meet applicable safety, power
quality, and interconnection requirements as provided in Code Section 46-3-64.

(c) An electric service provider not acting as a solar financing agent at the specific
property where the liability arises shall not be liable for any loss of assets, injury, or death
that may arise from, be caused by, or relate to:

(1) The act, or failure to act, of the retail electric customer or the solar financing agentrelating to the solar technology;

287 (2) The solar energy procurement agreement or any other agreement between the retail

electric customer and the solar financing agent; or

(3) The solar technology.

290 (d) A solar financing agent which is not an electric service provider or affiliate may

291 provide solar energy procurement agreements authorized by this part, notwithstanding the

restrictions of Part 1 of this article.

(e) A property with multiple premises may have multiple one or more solar technologies
financed by solar energy procurement agreements; provided however, that a single solar
technology is not connected to multiple premises and that the cumulative capacity of solar
technologies connected to a premises shall not exceed the aggregate capacity limit for such
premises. Solar technology installed to serve one or more premises on a property shall
only generate electric energy that is used on and by such premises or fed back to an electric
service provider.

300 46-3-64.

301 (a) For solar technology with a peak generating capacity of not more than $\frac{10}{15}$ kilowatts 302 for a residential application and not more than 100 kilowatts for a commercial application, 303 the electric service provider may require the retail electric customer or solar financing 304 agent to provide, at the retail electric customer's or solar financing agent's expense, all 305 equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code, National Electrical Safety Code, 306 307 Institute of Electrical and Electronics Engineers, and Underwriters Laboratories, prior to 308 interconnecting the solar technology to the electric service provider's electric system. If 309 such applicable safety, power quality, and interconnection requirements are met, an electric 310 service provider shall not require compliance with additional safety or performance 311 standards, require the performance of or payment for additional tests, or require the 312 purchase of additional liability insurance.

313 (b) For solar technology with a peak generating capacity of more than $\frac{10}{15}$ kilowatts for 314 a residential application and more than 100 kilowatts for a commercial application, the 315 electric service provider may require compliance with additional requirements beyond 316 those specified in subsection (a) of this Code section. Such additional requirements shall 317 include only those necessary to protect public safety, power quality, and system reliability.

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as supported by engineering documents or other evidence made available by the electric service provider.

320 46-3-65.

(a) Provided that the solar technology does not exceed the capacity limit, the leasing,
financing, or installation of such solar technology through a solar energy procurement
agreement shall not be considered the provision of electric service to the public, retail
electric service, or retail supply of electricity by the solar financing agent, and neither the
retail electric customer nor the solar financing agent shall be considered an electric supplier
within the meaning of Part 1 of this article or in violation of exclusive electric service
rights arising therein.

(b) Notwithstanding any other provision of law, a solar financing agent's actions under this
part shall not cause the solar financing agent to be considered an electric service provider
for any purpose under this title.

(c) Any electric service provider or affiliate shall be authorized to become a solar
financing agent; provided, however, that the restrictions of Part 1 of this article shall apply
to any such electric service provider's provision of solar technology. An electric service
provider and an affiliate shall be subject to subsection (a) of Code Section 46-3-11 in
providing services as a solar financing agent.

46-3-66.

337 (a) Except as provided in subsection (d) of Code Section 46-3-63 and subsections (a)

and (b) of Code Section 46-3-65, nothing in this part shall be construed as modifying the

339 restrictions of Part 1 of this article on the sale, offer for sale, or distribution of retail electric

340 service in this state.

(b) Nothing in this part shall be construed to create or alter rights in real property or to
change any restrictions or regulations on the use of real property that may exist under any
means, including, but not limited to, a covenant, contract, ordinance, or state or federal law.
(c) Nothing in this part shall be construed to restrict, affect, or diminish the ability of any
county or municipality to adopt or enforce ordinances, permits, or regulations, or otherwise
to exercise any lawful power under the Constitution or laws of this state, including, without
limitation, those affecting zoning, land use, or the use of public rights of way.

(d) Nothing in this part shall be applied to impair any obligation or right under a contract
entered into prior to the effective date of this part or any amendment to or extension of such
contract.

(e) Nothing in this part shall be applied to any party to a wholesale electric power or transmission service contract entered into prior to the effective date of this part or to any original party to such contract that is subsequently amended or extended to the extent that the financing and installation of the solar technology would cause such party to be in breach of such contract or increase the costs of such contract by \$100,000.00 or more. Any legal successor to substantially all rights and assets of a party shall also be considered a party under this subsection.

358 <u>46-3-67.</u>

359 (a) One or more tax-exempt customers may enter into an agreement with a solar financing 360 agent for the installation, maintenance, and operation of an aggregated solar facility that 361 is located in the territory of such tax-exempt customers' electric utility. The solar financing 362 agent may sell subscriptions of the capacity or energy generated from the aggregated solar 363 facility to such tax-exempt customers. Such transactions shall not be considered retail sales 364 of electricity and shall not subject the solar financing agent to regulation under this chapter. The solar financing agent shall meter the energy generated from the solar technology 365 366 pursuant to each subscription by a tax-exempt customer and its customers and shall provide

367	such metering information to the electric utility in whose service territory the solar
368	technology is located.
369	(b) Each electric utility shall provide meter aggregation to all tax-exempt customers that
370	seek to allocate bill credits within a single electric utility's service territory from one or
371	more aggregated solar facilities. Each electric utility shall allocate credits to a tax-exempt
372	customer's bill as if the solar technology were located on such customer's property, as
373	specified in Code Section 46-3-55.
374	(c) If an aggregated solar facility and the tax-exempt customer's metered accounts are
375	served by the same electric utility, a tax-exempt customer may elect to have bill credits
376	from one or more aggregated solar facilities allocated to the tax-exempt customer's
377	accounts within the service territory without regard to physical location.
378	(d) The annual allocated credits in kilowatt hours may not exceed 125 percent of the prior
379	three-year annual average usage of the tax-exempt customer's aggregated metered accounts
380	to which the bill credits are transferred.
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- 381 (e) Subject to review by the commission, each electric utility shall, prior to January 1,
- 382 <u>2023</u>, adopt a tariff providing for meter aggregation that complies with this Code section.
- <u>46-3-68.</u>
- 384 (a) An electric utility shall maintain and provide at least 24 months of meter usage data or 385 the period of time that a retail electric customer has had an account at a given address, 386 whichever is less. Retail electric customers shall have the right to access their own meter 387 usage data and to share their own meter usage data with authorized third parties of their 388 choice to obtain services or products provided by such third parties. As part of basic utility 389 service, an electric utility shall provide meter usage data in electronic machine-readable 390 form, without additional charge, to the retail electric customer or to any third-party 391 recipient to whom the customer has authorized disclosure of such retail electric customer's 392 meter usage data. Such access shall conform to nationally recognized open standards and

393	best practices and shall be provided in 15 minute intervals, or the shortest interval available
394	through existing meters.
395	(b) If requests are made for information other than meter usage data or data older than 24
396	months preceding the request, the electric utility may charge retail electric customers a fee
397	to provide such data. The amount of such fee shall be established by the commission based
398	on the amount deemed reasonable by the commission based on the electric utility's
399	marginal cost to provide such data.
400	(c) On or before October 1, 2022, each electric utility shall file a proposed process with
401	the commission in conformity with this Code section to allow retail electric customers to
402	access their own meter usage data and to share such data with third parties authorized by
403	the retail electric customer. Following notice and an opportunity to comment, the
404	commission shall adopt or amend such proposed process, which the electric utility shall
405	make available to retail electric customers within nine months of the commission's final
406	<u>order."</u>
407	SECTION 3.

408 This Act shall become effective on July 1, 2022.

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SECTION 4.

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