

SENATE BILL No. 393

By Committee on Ways and Means

2-10

1 AN ACT concerning utilities; relating to the net metering and easy
2 connection act; customer-generator rates; amending K.S.A. 66-1263,
3 66-1265, 66-1266 and 66-1267 and repealing the existing sections; also
4 repealing K.S.A. 66-1271.

5
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 66-1263 is hereby amended to read as follows: 66-
8 1263. K.S.A. 66-1263 through ~~66-1271~~ 66-1270, and amendments thereto,
9 shall be known and may be cited as the net metering and easy connection
10 act.

11 Sec. 2. K.S.A. 66-1265 is hereby amended to read as follows: 66-
12 1265. Each utility shall:

13 (a) Make net metering available to customer-generators on a first-
14 come, first-served basis, until the total rated generating capacity of all net
15 metered systems equals or exceeds ~~one percent~~ 1% of the utility's peak
16 demand during the previous year. The commission may increase the total
17 rated generating capacity of all net metered systems to an amount above
18 ~~one percent~~ 1% after conducting a hearing pursuant to K.S.A. 66-101d,
19 and amendments thereto;

20 (b) offer to the customer-generator a tariff or contract that is
21 identical in electrical energy rates, rate structure and monthly charges to
22 the tariff or contract that the customer would be assigned if the customer
23 were not an eligible customer-generator and shall not charge the
24 customer-generator any additional standby, capacity, interconnection or
25 other fee or charge that would not otherwise be charged if the customer
26 were not an eligible customer-generator;

27 ~~(b)(c)~~ provide an appropriate a residential class bi-directional meter
28 to the customer-generator at no charge, but may charge the customer-
29 generator for the cost of any additional metering or distribution equipment
30 necessary to accommodate the customer-generator's facility; and

31 ~~(e)(d)~~ disclose annually the availability of the net metering program
32 to each of its customers with the method and manner of disclosure being at
33 the discretion of the utility;

34 ~~(d)~~ for any customer-generator which began operating its renewable
35 energy resource under an interconnect agreement with the utility prior to
36 July 1, 2014, offer to the customer-generator a tariff or contract that is

1 identical in electrical energy rates, rate structure and monthly charges to
2 the contract or tariff that the customer would be assigned if the customer
3 were not an eligible customer-generator and shall not charge the customer-
4 generator any additional standby, capacity, interconnection or other fee or
5 charge that would not otherwise be charged if the customer were not an
6 eligible customer-generator; and

7 (e) ~~for any customer-generator which began operating its renewable~~
8 ~~energy resource under an interconnect agreement with the utility on or~~
9 ~~after July 1, 2014, have the option to propose, within an appropriate rate~~
10 ~~proceeding, the application of time-of-use rates, minimum bills or other~~
11 ~~rate structures that would apply to all such customer-generators~~
12 ~~prospectively.~~

13 Sec. 3. K.S.A. 66-1266 is hereby amended to read as follows: 66-
14 1266. (a) ~~Prior to January 1, 2030, for any customer-generator that began~~
15 ~~operating a renewable energy resource under an interconnect agreement~~
16 ~~with the utility prior to July 1, 2014:~~

17 ~~(1) If the electricity supplied by the utility exceeds the electricity~~
18 ~~generated by the customer-generator during a billing period, the customer-~~
19 ~~generator shall be billed for the net electricity supplied by the utility in~~
20 ~~accordance with normal practices for customers in the same rate class.~~

21 ~~(2)(b) If such a customer-generator generates electricity in excess of~~
22 ~~the customer-generator's monthly consumption, all such net excess energy~~
23 ~~(NEG), expressed in kilowatt-hours, shall be carried forward from month-~~
24 ~~to-month and credited at a ratio of one-to-one against the customer-~~
25 ~~generator's energy consumption, expressed in kilowatt-hours, in~~
26 ~~subsequent months.~~

27 ~~(3) Any interconnect agreement between such customer-generator~~
28 ~~and a utility and all such NEG generated under such agreement shall be~~
29 ~~transferable and continue in place until January 1, 2030, regardless of~~
30 ~~whether there is a change in ownership of the property on which the~~
31 ~~renewable energy resource is located.~~

32 ~~(4) Any NEG resulting from renewable energy resources that are~~
33 ~~installed on and after July 1, 2014, but are part of an installation of a~~
34 ~~renewable energy resource that was operating prior to July 1, 2014, shall~~
35 ~~be carried forward and credited to the customer as if such resources had~~
36 ~~begun operation prior to July 1, 2014.~~

37 ~~(5) Any net excess generation credit remaining in a net-metering~~
38 ~~customer's account on March 31 of each year shall expire.~~

39 ~~(b) For any customer-generator that began operating a renewable~~
40 ~~energy resource under an interconnect agreement with the utility on and~~
41 ~~after July 1, 2014:~~

42 ~~(1) If the electricity supplied by the utility exceeds the electricity~~
43 ~~generated by the customer-generator during a billing period, the customer-~~

1 generator shall be billed for the net electricity supplied by the utility.

2 ~~(2) If such customer-generator generates electricity in excess of the~~
 3 ~~customer-generator's monthly consumption, all such NEG remaining in~~
 4 ~~such customer-generator's account at the end of each billing period shall be~~
 5 ~~credited to the customer at a rate of 100% of the utility's monthly system~~
 6 ~~average cost of energy per kilowatt hour.~~

7 ~~(e) On and after January 1, 2030, for all customer-generators,~~
 8 ~~regardless of when such customer-generators entered into an interconnect~~
 9 ~~agreement with the utility:~~

10 ~~(1) If the electricity supplied by the utility exceeds the electricity~~
 11 ~~generated by the customer-generator during a billing period, the customer-~~
 12 ~~generator shall be billed for the net electricity supplied by the utility; and~~

13 ~~(2) if such customer-generator generates electricity in excess of the~~
 14 ~~customer-generator's monthly consumption, all such NEG remaining in a~~
 15 ~~customer-generator's account at the end of each billing period shall be~~
 16 ~~credited to the customer at a rate of 100% of the utility's monthly system~~
 17 ~~average cost of energy per kilowatt hour.~~

18 ~~(c) Any net excess generation credit remaining in a net-metering~~
 19 ~~customer's account at the end of each calendar year shall expire.~~

20 Sec. 4. K.S.A. 66-1267 is hereby amended to read as follows: 66-
 21 1267. (a) For customer-generators that began operating a renewable energy
 22 resource under an interconnect agreement with the utility prior to July 1,
 23 2014:

24 ~~(1) Such Each utility shall allow:(A) (1) Residential customer-~~
 25 ~~generators to generate electricity subject to net metering up to 25~~
 26 ~~kilowatts; and~~

27 ~~(B)(2) commercial, industrial, school, local government, state~~
 28 ~~government, federal government, agricultural and institutional customer-~~
 29 ~~generators to generate electricity subject to net metering up to 200~~
 30 ~~kilowatts.~~

31 ~~(2) Nothing in this act shall be construed to prevent such customer-~~
 32 ~~generators from installing additional renewable energy resources after July~~
 33 ~~1, 2014, that will generate electricity pursuant to the restrictions contained~~
 34 ~~in paragraph (1).~~

35 ~~(b) For customer-generators that begin operating a renewable energy~~
 36 ~~resource under an interconnect agreement with the utility after July 1,~~
 37 ~~2014, such utility shall allow:~~

38 ~~(1) All residential customer-generators to generate electricity subject~~
 39 ~~to net metering up to 15 kilowatts;~~

40 ~~(2) commercial, industrial, religious institution, local government,~~
 41 ~~state government, federal government, agricultural and industrial~~
 42 ~~customer-generators to generate electricity subject to net metering up to~~
 43 ~~100 kilowatts, unless otherwise agreed to by the utility and the customer-~~

1 generator; and

2 ~~(3) school customer-generators to generate electricity subject to net~~
3 ~~metering up to 150 kilowatts. For the purpose of this section, "school"~~
4 ~~means any postsecondary educational institution as defined in K.S.A. 74-~~
5 ~~3201b, and amendments thereto, or any public or private school which~~
6 ~~provides instruction for students enrolled in grade kindergarten or grades~~
7 ~~one through 12.~~

8 ~~(e) Customer-generators shall appropriately size their generation to~~
9 ~~their expected load.~~

10 Sec. 5. K.S.A. 66-1263, 66-1265, 66-1266, 66-1267 and 66-1271 are
11 hereby repealed.

12 Sec. 6. This act shall take effect and be in force from and after its
13 publication in the statute book.