

HOUSE BILL 68

C5, M5

(PRE-FILED)

3lr0539
CF 3lr1111

By: **Delegate Korman**

Requested: October 12, 2022

Introduced and read first time: January 11, 2023

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Electricity – Net Energy Metering – Accrual of Net Excess Generation**
3 **(Net Metering Flexibility Act)**

4 FOR the purpose of authorizing an eligible customer-generator to accrue net excess
5 generation for an indefinite period; requiring an eligible customer-generator that
6 elects to accrue net excess generation for an indefinite period to forfeit any net excess
7 generation at the time an account is closed; altering the month used to establish an
8 annual billing cycle for the payment of net excess generation accrued; and generally
9 relating to net energy metering.

10 BY repealing and reenacting, without amendments,
11 Article – Public Utilities
12 Section 7–306(a)(1), (4), (7), and (8)
13 Annotated Code of Maryland
14 (2020 Replacement Volume and 2022 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Public Utilities
17 Section 7–306(f)
18 Annotated Code of Maryland
19 (2020 Replacement Volume and 2022 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
21 That the Laws of Maryland read as follows:

22 **Article – Public Utilities**

23 7–306.

24 (a) (1) In this section the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 [2.] **B.** that ends with the billing cycle that is complete
2 immediately prior to the end of [April] **AUGUST** of each year; **OR**

3 **2. SUBJECT TO SUBPARAGRAPH (IV) OF THIS**
4 **PARAGRAPH, ACCRUE NET EXCESS GENERATION FOR AN INDEFINITE PERIOD.**

5 (ii) The electric company shall carry forward net excess generation
6 until:

7 1. the eligible customer-generator's consumption of
8 electricity from the grid eliminates the net excess generation; [or]

9 2. the accrual period under subparagraph [(i)] **(I)1** of this
10 paragraph expires; **OR**

11 **3. THE ACCOUNT IS CLOSED.**

12 (iii) 1. [The] **IF AN ELIGIBLE CUSTOMER-GENERATOR**
13 **ELECTS TO ACCRUE NET EXCESS GENERATION FOR A PERIOD NOT TO EXCEED 12**
14 **MONTHS UNDER SUBPARAGRAPH (I)1 OF THIS PARAGRAPH, THE** dollar value of net
15 excess generation shall be equal to the generation or commodity portion of the rate that the
16 eligible customer-generator would have been charged by the electric company averaged
17 over the previous 12-month period ending with the billing cycle that is complete
18 immediately [prior to] **BEFORE** the end of [April] **AUGUST** multiplied by the number of
19 kilowatt-hours of net excess generation.

20 2. For [customers] **AN ELIGIBLE CUSTOMER-GENERATOR**
21 **THAT ELECTS TO ACCRUE NET EXCESS GENERATION UNDER SUBPARAGRAPH (I)1 OF**
22 **THIS PARAGRAPH AND IS** served by a community choice aggregator or an electricity
23 supplier, the dollar value of the net excess generation shall be equal to the generation or
24 commodity rate that the customer would have been charged by the community choice
25 aggregator or electricity supplier multiplied by the number of kilowatt-hours of net excess
26 generation.

27 **(IV) IF AN ELIGIBLE CUSTOMER-GENERATOR ELECTS TO**
28 **ACCRUE NET EXCESS GENERATION FOR AN INDEFINITE PERIOD UNDER**
29 **SUBPARAGRAPH (I)2 OF THIS PARAGRAPH, A CUSTOMER-GENERATOR SHALL**
30 **FORFEIT ANY NET EXCESS GENERATION REMAINING AT THE TIME THE ACCOUNT IS**
31 **CLOSED.**

32 (6) (i) [On] **IF AN ELIGIBLE CUSTOMER-GENERATOR ELECTS TO**
33 **ACCRUE NET EXCESS GENERATION UNDER PARAGRAPH (5)(I)1 OF THIS**
34 **SUBSECTION, ON** or before 30 days after the billing cycle that is complete immediately
35 prior to the end of [April] **AUGUST** of each year, the electric company shall pay [each] **THE**
36 eligible customer-generator for the dollar value of any accrued net excess generation

1 remaining at the end of the previous 12-month period ending with the billing cycle that is
2 complete immediately [prior to] **BEFORE** the end of [April] **AUGUST**.

3 (ii) Within 15 days after the date [the] **AN** eligible
4 customer-generator **THAT ELECTS TO ACCRUE NET EXCESS GENERATION UNDER**
5 **PARAGRAPH (5)(I)1 OF THIS SUBSECTION** closes the eligible customer-generator's
6 account, the electric company shall pay the eligible customer-generator for the dollar value
7 of any accrued net excess generation remaining at the time the eligible customer-generator
8 closes the account.

9 (7) (i) Notwithstanding paragraphs (5) and (6) of this subsection, an
10 eligible customer-generator served by an electric cooperative that serves a population of
11 less than 250,000 in its distribution territory may choose to be paid for the dollar value of
12 net excess generation remaining at the end of each month instead of at the end of the
13 accrual period specified under paragraph [(5)(i)] **(5)(I)1** of this subsection.

14 (ii) If an eligible customer-generator chooses to be paid for the dollar
15 value of net excess generation remaining at the end of each month:

16 1. the customer-generator may accrue net excess generation
17 on a monthly basis;

18 2. the dollar value of the net excess generation shall be equal
19 to the generation or commodity portion of the rate that the eligible customer-generator
20 would have been charged by the electric company for the previous month; and

21 3. on or before 30 days after the end of each month, the
22 electric cooperative shall pay the eligible customer-generator for the dollar value of net
23 excess generation remaining at the end of the previous month.

24 **SECTION 2. AND BE IT FURTHER ENACTED,** That this Act shall take effect
25 October 1, 2023.