SENATE FILE NO. SF0092

Small customer electrical generation.

Sponsored by: Senator(s) Case

A BILL

for

1 AN ACT relating to net metering; revising how net metering 2 compensation applies to small customer-generators that are

3 first operational after a specified date; authorizing the

4 public service commission to authorize a different

5 calculation of net energy if energy is being subsidized by

6 other customers; making conforming changes; requiring

7 rulemaking; repealing an obsolete provision; and providing

8 for an effective date.

9

10 Be It Enacted by the Legislature of the State of Wyoming:

11

12 **Section 1.** W.S. 37-16-105 is created to read:

13

14 37-16-105. Treatment of existing customers; future

1

15 requirements.

| 1 | (a) Except as provided in subsections (b) and (c) of |
|---|---|
| 2 | this section, no electric utility shall be obligated under |
| 3 | this article to compensate any small customer-generator for |
| 4 | any electricity produced on a net metering arrangement |
| 5 | under this article. A small customer-generator that is |
| 6 | producing electricity on a net metering arrangement under |
| 7 | this article that is first operational before July 1, 2024 |
| 8 | shall be considered an existing customer and shall be |
| | |

exempt from this section until July 1, 2039.

10

9

11 (b) The public service commission shall establish an
12 appropriate compensation system to regulate the rates,
13 terms and conditions of small customer-generators by
14 electric utilities for electricity produced by small
15 customer-generators that are first operational on or after
16 July 1, 2024. The compensation system shall provide for
17 just and reasonable rates, terms and conditions.

18

19 (c) Any cooperative electric utility that is exempt
20 from retail rate regulation by the public service
21 commission under chapter 17, title 37 of the Wyoming
22 statutes shall not be subject to subsection (b) of this
23 section and the board of directors of a cooperative

- 1 electric utility shall, not later than April 1, 2024, adopt
- 2 rates, terms and conditions to compensate small
- 3 customer-generators that are first operational on or after
- 4 July 1, 2024 and any cooperative electric utility shall
- 5 comply with the following:

- 7 (i) Give written notice to all of its member
- 8 owners, not less than thirty (30) days prior to the
- 9 effective date of the cooperative's initial rates, terms
- 10 and conditions regarding compensation of small
- 11 customer-generators and of the effective date of any
- 12 subsequent change to the rates, terms and conditions,
- 13 including procedures for the cooperative's member owners to
- 14 comment on proposed rates;

15

- 16 (ii) Rates, terms and conditions adopted by a
- 17 cooperative electric utility in accordance with this
- 18 subsection shall be filed with the commission; and

- 20 (iii) Be subject to the complaint, investigation
- 21 and resolution process pursuant to W.S. 37-17-104(d) and
- 22 (e) regarding the rates, terms and conditions adopted by
- 23 the board to compensate small customer-generators.

```
1
 2
 3
        Section 2. W.S. 37-16-101(a)(vii), (viii)(intro) and
4
    (b), 37-16-102(a)(i) through (iii), 37-16-103(a)(intro) and
    37-16-104 are amended to read:
5
 6
7
        37-16-101. Definitions.
8
9
        (a) As used in this chapter unless the context or a
10
    specific article otherwise requires:
11
12
             (vii) "Net metering" means measuring the
    difference between the electricity supplied by an electric
13
   utility and the electricity generated
14
                                                     by a
15
    customer-generator operating before July 1, 2024 that is
16
    fed back to the electric utility over the applicable
17
   billing period;
18
19
             (viii) "Net metering system" "Small
20
    customer-generator" means a person operating a facility for
21
    the production of electrical energy that:
22
```

```
1
         (b) A person acting as a small customer-generator
 2
    under this act shall not be considered a "public utility"
3
    as defined by W.S. 37-1-101.
4
         37-16-102. Electric utility requirements.
5
 6
7
         (a) An electric utility:
8
9
             (i) Shall offer to make available to each of its
10
    eligible small customer-generators that has installed a net
11
    metering system an energy meter that is capable of
12
    registering the flow of electricity in two (2) directions;
13
14
             (ii) May, at its own expense and with the
    written consent of the customer-generator, install one (1)
15
16
        more additional meters to monitor the flow of
17
    electricity in each direction;
18
19
             (iii) Except as otherwise provided in this
20
    paragraph, shall not charge a small customer-generator any
21
    fee
          or charge
                       that would
                                      increase the
                                                       small
22
    customer-generator's minimum monthly charge to an amount
    greater than that of other customers of the electric
23
```

- 1 utility in the same rate class as the small
- 2 customer-generator. This paragraph shall not apply on and
- 3 after July 1, 2024 for small customer-generators other than
- 4 existing customers as provided under W.S. 37-16-105(a).
- 5 This paragraph is repealed on July 1, 2039.

7 37-16-103. Calculation requirements.

8

- 9 (a) Consistent with other provisions of this chapter,
- 10 the net energy measurement for existing small
- 11 customer-generators as provided in W.S. 37-16-105(a) shall
- 12 be calculated in the following manner:

13

14 37-16-104. Safety and performance requirements.

15

- 16 (a) A net metering system used by a small
- 17 customer-generator shall meet all applicable safety and
- 18 performance standards established by the national
- 19 electrical code, the institute of electrical and
- 20 electronics engineers and underwriters laboratories.

- 22 (b) The small customer-generator shall at its expense
- 23 provide lockable, switching equipment capable of isolating

- 1 the net metering facility from the electric utility's
- 2 system. Such equipment shall be approved by the electric
- 3 utility and shall be accessible by the electric utility at
- 4 all times.

- 6 (c) The electric utility shall not be liable directly
- 7 or indirectly for permitting or continuing to allow an
- 8 attachment of a net metering small customer-generator
- 9 facility, or for acts or omissions of the small
- 10 customer-generator that cause loss or injury, including
- 11 death, to any third party.

12

- 13 (d) The small customer-generator is responsible for
- 14 all costs associated with its facility and is also
- 15 responsible for all costs related to any modifications to
- 16 the facility that may be required by the electric utility
- 17 for purposes of safety and reliability.

18

- 19 (e) The commission, after appropriate notice and
- 20 opportunity for comment, may adopt by regulation additional
- 21 control and testing requirements for small
- 22 customer-generators that the commission determines are
- 23 necessary to protect public safety and system reliability.

SF0092

Section 3. W.S. 37-16-101(a)(ii) is repealed.

3

4 Section 4. The public service commission of Wyoming shall conduct public hearings related to the implementation 5 of the compensation system for electricity produced from 6 small customer-generation facilities first operational on 7 8 or after July 1, 2024 and shall adopt rules necessary to implement the system as provided in W.S. 37-16-105(b) not 9 10 later than April 1, 2024. Any cooperative electric utility 11 that is exempt from retail rate regulation by the public 12 service commission under chapter 17, title 37 of the Wyoming statutes shall adopt rates, terms and conditions to 13 compensate small customer-generators as provided in W.S. 14 37-16-105(c) not later than April 1, 2024. 15

16

Section 5. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

21

22 (END)