## SENATE BILL No. 280

## By Committee on Utilities

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AN ACT concerning utilities; relating to net metering; amending K.S.A. 2013 Supp. 66-1264, 66-1265 and 66-1266 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2013 Supp. 66-1264 is hereby amended to read as follows: 66-1264. As used in the net metering and easy connection act:

- (a) "Commission" means the state corporation commission.
- (b) "Customer-generator" means the owner or operator of a net metered facility which:
  - (1) Is powered by a renewable energy resource;
- (2) is located on a premises owned, operated, leased or otherwise controlled by the customer-generator;
- (3) is interconnected and operates in parallel phase and synchronization with an affected utility and is in compliance with the standards established by the affected utility;
- (4) is intended primarily to offset part or all of the customergenerator's own electrical energy requirements; *and*
- (5) contains a mechanism, approved by the utility, that automatically disables the unit and interrupts the flow of electricity back onto the supplier's electricity lines in the event that service to the customergenerator is interrupted.
- (c) "Peak demand" shall have the meaning ascribed thereto in K.S.A. 2013 Supp. 66-1257, and amendments thereto.
- (d) "Renewable energy resources" shall have the meaning ascribed thereto in K.S.A. 2013 Supp. 66-1257, and amendments thereto.
  - (e) "Utility" means investor-owned electric utility.
- (f) "Fixed charge" means any fixed customer charge, basic service fee, demand charge or other charge not based on the volume of electricity consumed by the customer.
  - Sec. 2. K.S.A. 2013 Supp. 66-1265 is hereby amended to read as follows: 66-1265. Each utility shall:
  - (a) Make net metering available to customer-generators on a first-come, first-served basis, until the total rated generating capacity of all net metered systems equals or exceeds one percent of the utility's peak demand during the previous year. The commission may increase the total

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 rated generating capacity of all net metered systems to an amount above one percent after conducting a hearing pursuant to K.S.A. 66-101d, and amendments thereto;

- (b) offer to the customer-generator a tariff or contract that is identical in electrical energy rates, rate structure and monthly charges to the contract or tariff that the customer would be assigned if the customer were not an eligible customer-generator and shall not charge the customer-generator any additional standby, capacity, interconnection or other fee or charge that would not otherwise be charged if the customer were not an eligible customer-generator;
- (e) provide a residential an appropriate class bidirectional meter to the customer-generator at no charge, but may charge the customer-generator for the cost of any additional metering or distribution equipment necessary to accommodate the customer-generator's facility; and
- (d) (c) disclose annually the availability of the net metering program to each of its customers with the method and manner of disclosure being at the discretion of the utility.
- Sec. 3. K.S.A. 2013 Supp. 66-1266 is hereby amended to read as follows: 66-1266. (a) If the electricity supplied by the utility exceeds the electricity generated by the customer-generator *at any time* during a billing period, the customer-generator shall be billed for the net electricity supplied by the utility in accordance with normal practices for customers in the same rate class.
- (b) If a customer-generator began operating its renewable energy resource under an interconnect agreement with the utility prior to July 1, 2014, and generates electricity in excess of the customer-generator's monthly consumption, prior to January 1, 2030, all such net excess energy (NEG), expressed in kilowatt-hours, shall be carried forward from month-to-month and credited at a ratio of one-to-one against the customer-generator's energy consumption, expressed in kilowatt-hours, in subsequent months. On and after January 1, 2030, compensation for all such NEG shall be credited to the customer at a rate of 150% of the utility's monthly system average cost of energy per kilowatt hour.
- (c) If a customer-generator begins operating its renewable energy resource under an interconnect agreement with the utility on and after July 1, 2014, and generates electricity in excess of the customer-generator's consumption, compensation for all such NEG shall be credited to the customer at a rate of 150% of the utility's monthly system average cost of energy per kilowatt hour.
- (d) Any net excess generation credit remaining in a net-metering customer's account at the end of each calendar year shall expire.
- (e) For the purposes of this section, the commission may authorize a unique tariff or fixed charges on a per customer-generator per billing

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6 7 period basis for the costs incurred by the utility for providing service to such customer-generator.

Sec. 4. K.S.A. 2013 Supp. 66-1264, 66-1265 and 66-1266 are hereby

Sec. 4. K.S.A. 2013 Supp. 66-1264, 66-1265 and 66-1266 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.