

AMENDMENTS TO LB 581

Introduced by

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. The Legislature finds that it is in the public
4 interest to:

5 (1) Encourage private investment in renewable energy
6 resources;

7 (2) Stimulate the economic growth of this state; and

8 (3) Enhance the continued diversification of the energy
9 resources used in this state.

10 Sec. 2. For purposes of sections 1 to 7 of this act:

11 (1) Customer-generator means an end-use electricity
12 customer that generates electricity on the customer's side of the
13 meter from a qualified facility;

14 (2) Electric supplier means any public power district,
15 electric cooperative, or municipal electric utility that is engaged
16 in the business of supplying electric energy to the ultimate
17 consumer thereof;

18 (3) Local distribution system means the equipment and
19 facilities used for the distribution of electric energy to the
20 ultimate consumer thereof, whether or not such system is owned or
21 operated by the electrical supplier;

22 (4) Local distribution utility means the owner or
23 operator of the local distribution system;

1 (5) Net metering means a system of metering electricity
2 in which an electric supplier:

3 (a) Credits a customer-generator at the full retail rate
4 for each kilowatt-hour from a qualified facility up to the total
5 amount of electricity used by the customer-generator during an
6 annualized period; and

7 (b) Compensates the customer-generator at the end of the
8 annualized period for any remaining credits, at a rate equal to the
9 electric supplier's average hourly incremental cost of electricity
10 supply over the most recent calendar year; and

11 (6) Qualified facility means a facility for the
12 production of electrical energy that:

13 (a) Uses as its fuel either wind, solar, biomass, or
14 hydropower resources;

15 (b) Is located on the premises owned, operated, leased,
16 or otherwise controlled by the customer-generator;

17 (c) Connects with and operates in parallel with the local
18 distribution system; and

19 (d) Is intended primarily to offset part or all of the
20 customer-generator's requirements for electricity through the use
21 of net metering.

22 Sec. 3. (1) All electric suppliers shall allow
23 the customer-generator's retail electricity consumption to be
24 offset by a qualified facility that is interconnected with the
25 local distribution system. If the electricity generated by the
26 customer-generator exceeds the customer-generator's consumption,
27 the excess kilowatt-hours shall be carried forward from month

1 to month and credited at a ratio of one to one against the
2 customer-generator's retail kilowatt-hour consumption in subsequent
3 months. Within sixty days after the end of each calendar year, or
4 within sixty days after the date the customer-generator terminates
5 its retail service, the electric supplier shall compensate the
6 customer-generator for any accrued excess kilowatt-hour credits
7 at the electric supplier's average hourly incremental cost of
8 electricity supply over the most recent calendar year.

9 (2) An electric supplier shall provide net-metering
10 service at nondiscriminatory rates to customers with a qualified
11 facility. A customer-generator shall not be required to change
12 the rate under which he, she, or it received retail service in
13 order for the customer-generator to install a qualified facility.
14 A customer-generator may be charged a minimum monthly fee that is
15 the same as other non-customer-generators in the same rate class
16 but shall not be charged any additional standby, capacity, demand,
17 interconnection, or other fee or charge.

18 (3) An electric supplier shall not be required to provide
19 local distribution service to additional customer-generators after
20 the date during any calendar year on which the total generating
21 capacity of all customer-generators with qualified facilities
22 served by the local distribution utility is equal to or in excess
23 of two percent of the capacity necessary to meet the electric
24 supplier's average forecast aggregate customer peak demand for that
25 calendar year.

26 Sec. 4. (1) An electric supplier shall offer to make
27 available to each customer-generator that has installed a qualified

1 facility metering equipment that can measure the flow of electric
2 energy in both directions. The electric supplier shall utilize a
3 single bi-directional meter with a single register that displays
4 this net reading for billing purposes. The electric supplier may
5 choose to meter additional information within this meter if the net
6 reading can be easily and clearly read by the customer-generator.

7 (2) If the customer-generator's existing meter does not
8 meet these requirements, the electric supplier shall install and
9 maintain a single bi-directional meter for the customer-generator
10 at the electric supplier's expense. Any subsequent revenue meter
11 change necessitated by the customer-generator shall be paid for by
12 the customer-generator.

13 (3) The electric supplier shall not require more than one
14 meter per customer to comply with this section.

15 Sec. 5. (1) A qualified facility installed by a
16 customer-generator shall meet all applicable safety and performance
17 standards established in this section.

18 (2) Within ninety days after the effective date of
19 this act, each electric supplier shall establish interconnection
20 standards for the physical connection between local distribution
21 systems and qualified facilities. Such standards shall not be
22 unreasonably burdensome and shall be designed to encourage the use
23 of qualified facilities and to insure the safety and reliability
24 of such qualified facilities and the local distribution systems
25 interconnected with such qualified facilities.

26 (3) The standards under this section shall establish
27 measures for the safety and reliability of the affected equipment

1 and local distribution systems as may be appropriate. Such
2 standards shall:

3 (a) Be consistent with all applicable safety and
4 performance standards established by the National Electrical Code,
5 the Institute of Electrical and Electronics Engineers, Underwriters
6 Laboratories, or the American National Standards Institute;

7 (b) Ensure that qualified facilities will automatically
8 isolate themselves from the electrical system in the event of an
9 electrical power outage; and

10 (c) Permit the owner or operator of the local
11 distribution system to interrupt or reduce deliveries of available
12 energy from the qualified facilities to the system when necessary
13 in order to construct, install, maintain, repair, replace, remove,
14 investigate, or inspect any of its equipment or part of its system
15 of if the local distribution system determines that curtailment,
16 interruption, or reduction is necessary because of emergencies,
17 forced outages, acts of nature, or compliance with prudent
18 electrical practices.

19 (4) No electric supplier may require a customer-generator
20 whose qualified facility meets the standards in this section to:

21 (a) Comply with additional safety or performance
22 standards or pay additional charges for equipment or services for
23 interconnection that are additional to those necessary to meet the
24 standards established in this section;

25 (b) Perform or pay for additional tests; or

26 (c) Purchase additional liability insurance.

27 Sec. 6. A customer-generator that is eligible for

1 net metering owns the renewable and environmental attributes of
2 the electricity it generates, unless there is a contract with
3 an express provision that assigns ownership of those renewable
4 and environmental attributes. A customer-generator shall not be
5 required to assign renewable and environmental attributes of the
6 electricity it generates in order to receive net metering or
7 interconnection.

8 Sec. 7. Beginning March 1, 2009, and each March 1
9 thereafter, each electric supplier shall produce an annual net
10 metering report to be published on the electric supplier's web site
11 that shall include the following information:

12 (1) The total number of qualified facilities;

13 (2) The total estimated rated generating capacity of
14 qualified facilities;

15 (3) The total estimated net kilowatt-hours received from
16 customer-generators; and

17 (4) The total estimated amount of energy produced by the
18 customer-generators.

19 Sec. 8. Section 70-1012, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 70-1012 Before any electric generation facilities or any
22 transmission lines or related facilities carrying more than seven
23 hundred volts are constructed or acquired by any supplier, an
24 application, filed with the board and containing such information
25 as the board shall prescribe, shall be approved by the board,
26 except that such approval shall not be required (1) for the
27 construction or acquisition of a transmission line extension or

1 related facilities within a supplier's own service area or for the
2 construction or acquisition of a line not exceeding one-half mile
3 outside its own service area when all owners of electric lines
4 located within one-half mile of the extension consent thereto in
5 writing and such consents are filed with the board, (2) for any
6 generation facility when the board finds that: (a) Such facility is
7 being constructed or acquired to replace a generating plant owned
8 by an individual municipality or registered group of municipalities
9 with a capacity not greater than that of the plant being replaced,
10 (b) such facility will generate less than twenty-five thousand
11 kilowatts of electric energy at rated capacity, and (c) the
12 applicant will not use the plant or transmission capacity to supply
13 wholesale power to customers outside the applicant's existing
14 retail service area or chartered territory, ~~or~~ (3) for acquisition
15 of transmission lines or related facilities, within the state,
16 carrying one hundred fifteen thousand volts or less, if the current
17 owner of the transmission lines or related facilities notifies the
18 board of the lines or facilities involved in the transaction and
19 the parties to the transaction or (4) for the construction of a
20 qualified facility as defined in section 2 of this act.

21 Sec. 9. If any section in this act or any part of any
22 section is declared invalid or unconstitutional, the declaration
23 shall not affect the validity or constitutionality of the remaining
24 portions.

25 Sec. 10. Original section 70-1012, Reissue Revised
26 Statutes of Nebraska, is repealed.