

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 581

Introduced by Preister, 5

Read first time January 17, 2007

Committee: Natural Resources

A BILL

1 FOR AN ACT relating to electricity; to adopt the Energy
2 Conservation and Self-Reliance Act.
3 Be it enacted by the people of the State of Nebraska,

1 Section 1. This act shall be known and may be cited as
2 the Energy Conservation and Self-Reliance Act.

3 Sec. 2. For purposes of the Energy Conservation and
4 Self-Reliance Act:

5 (1) Annualized period means all billing periods within a
6 single year. A customer-generator's first annualized period begins
7 on the first day of the first full billing period after the
8 customer-generator's facility is interconnected and is generating
9 electricity;

10 (2) Applicant means a person who has filed an application
11 to interconnect a customer-generator facility to an electric
12 delivery system;

13 (3) Customer-generator means a residential, commercial,
14 industrial, nonprofit, school, utility agricultural, institutional,
15 local government, state government, or federal government customer
16 of a retail utility that generates renewable electric energy on the
17 customer side of the meter;

18 (4) Customer-generator facility means the equipment
19 used by a customer-generator to generate, manage, and monitor
20 electricity. A customer-generator facility includes an electric
21 generator or an equipment package;

22 (5) Electric delivery system means the infrastructure
23 constructed and maintained by a retail utility to deliver electric
24 service to end users;

25 (6) Group system means a group of physically contiguous

1 customers located in a single electrical service provider territory
2 which has elected to combine meters as a single billing entity
3 in order to offset such billing against a net-metered generation
4 facility located on property owned by a group member and physically
5 contiguous to the group members;

6 (7) Net metering means billing the customer-generator
7 according to the difference between the amount of electricity
8 supplied by the retail utility in a billing period and the amount
9 of electricity delivered from the customer side of the meter
10 using renewable energy systems, when customer-generator electricity
11 delivered in excess of electricity supplied is credited over an
12 annualized period;

13 (8) Renewable electric energy means energy generated
14 through the use of such resources as solar thermal, photovoltaic,
15 landfill gas, wind, biomass, hydroelectric power, wave or tidal
16 power, geothermal, waste-to-energy including municipal solid waste
17 and agricultural waste, and fuel cells using renewable fuels;

18 (9) Retail utility means any utility offering retail
19 electric service in Nebraska; and

20 (10) Service entrance capacity means the rating of the
21 customer-generator's electric service, determined by multiplying
22 the voltage provided to the customer-generator by the retail
23 utility by the ampere rating of the customer-generator's primary
24 over-current protection device, including a fuse or circuit
25 breaker, by the appropriate multiplier for multiphase service and

1 generators.

2 Sec. 3. (1) All retail utilities shall offer net metering
3 to customer-generators with renewable energy generation that are
4 interconnected with the retail utility if the generating capacity
5 of the customer-generator's facility meets both of the following
6 criteria:

7 (a) The rated capacity of the generator does not exceed
8 two megawatts; and

9 (b) The rated capacity of the generator does not exceed
10 the customer's service entrance capacity.

11 (2) The retail utility shall develop a net-metering
12 tariff that provides for customer-generators to be credited in
13 kilowatt-hours at a ratio of one to one for any production by
14 the customer-generator's generating facility. The credit shall
15 be applied in the billing period following the billing period
16 of excess production. Any excess kilowatt-hour credits shall not
17 reduce any fixed billing period customer charges imposed by the
18 retail utility.

19 (3) The retail utility shall carry over any excess
20 kilowatt-hour credits earned by customer-generators under
21 subsection (2) of this section and apply such credits to subsequent
22 billing periods to offset any customer-generator consumption in
23 such billing periods. The carryover shall continue until all
24 credits are used or the end of the annual billing cycle is reached,
25 whichever is earlier.

1 (4) At the end of each annual billing period, the retail
2 utility shall compensate the customer-generator for any excess
3 kilowatt-hour credits at avoided cost for marginal electric energy
4 usage.

5 (5) A customer-generator facility used for net metering
6 shall be equipped with metering equipment that can measure
7 the flow of electricity in both directions at the same rate.
8 For customer-generator facilities of ten kilowatts or less,
9 such measurement may be accomplished through use of a single,
10 bidirectional electric revenue meter that has only a single
11 register for billing purposes.

12 (6) A customer-generator may choose to use an existing
13 electric revenue meter if the following criteria are met:

14 (a) The meter is capable of measuring the flow of
15 electricity both into and out of the customer-generator's facility
16 at the same rate and ratio; and

17 (b) The meter is accurate to within five percent when
18 measuring electricity flowing from the customer-generator facility
19 to the electric distribution system.

20 (7) If the customer-generator's existing electric revenue
21 meter does not meet the requirements of subsection (6) of this
22 section, the retail utility shall install and maintain a new
23 revenue meter for the customer-generator at the retail utility's
24 expense. Any subsequent revenue meter change necessitated by the
25 customer-generator, whether because of a decision to stop net

1 metering or for any other reason, shall be paid for by the
2 customer-generator.

3 (8) The retail utility shall not require more than one
4 meter per customer-generator. An additional meter may be installed
5 under either of the following circumstances:

6 (a) The retail utility may install an additional meter at
7 its own expense if the customer-generator consents; or

8 (b) The customer-generator may request that the retail
9 utility install a meter, in addition to the revenue meter described
10 in subsection (6) of this section, at the customer-generator's
11 expense. In such case, the retail utility shall charge the
12 customer-generator no more than the actual cost of the meter
13 and its installation.

14 (9) A customer-generator owns the renewable energy
15 credits of the electricity it generates.

16 (10) A retail utility shall provide to net-metered
17 customer-generators electric service at nondiscriminatory rates
18 that are identical, with respect to rate structure, retail
19 rate components, and any monthly charges to the rates that a
20 customer-generator would be charged if not a customer-generator.

21 (11) A retail utility shall not charge a
22 customer-generator any fee or charge or require additional
23 equipment, insurance, or any other requirement not specifically
24 authorized under this subsection or section 4 of this act unless
25 the fee, charge, or other requirement would apply to other

1 similarly situated customers who are not customer-generators.

2 (12) Each retail utility shall submit an annual
3 net-metering report to the Nebraska Power Review Board. The report
4 shall be submitted by the end of each calendar year and shall
5 include the following information for the previous compliance year:

6 (a) The total number of customer-generator facilities;

7 (b) The total estimated rated generating capacity of its
8 net-metering customer-generators;

9 (c) The total estimated net kilowatt hours received
10 from customer-generators, expressed as both an aggregated absolute
11 amount and as a percentage of total kilowatt hours provided to the
12 retail customer by the retail utility;

13 (d) The total estimated amount of energy produced by the
14 customer-generators; and

15 (e) Outreach and information efforts engaged in by the
16 retail utility in order to inform customers about the availability
17 of net-metering service pursuant to this act.

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

1 Sec. 4. A net-metering system installed by a
2 customer-generator shall meet all applicable safety and performance
3 standards established by the National Electrical Code filed
4 with the Secretary of State under subdivision (5) of section
5 81-2104, the Institute of Electrical and Electronics Engineers, and
6 Underwriters Laboratories, Inc.

7 Sec. 5. A retail utility shall have the right to inspect
8 a customer-generator's facility during reasonable hours and with
9 reasonable prior notice to the customer-generator. If the retail
10 utility discovers that the customer-generator's facility is not in
11 compliance with the requirements of the Institute of Electrical
12 and Electronics Engineers Standard 1547, and the noncompliance
13 adversely affects the safety or reliability of the retail utility's
14 or other customers' facilities, the retail utility may require the
15 customer-generator to disconnect the customer-generator's facility
16 until compliance is achieved.