

Senate Bill 93

By: Senator Polak of the 42nd

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated,
2 relating to generation and distribution of electricity generally, so as to change certain
3 provisions relating to operation of electrical cogeneration facilities and sales of energy
4 therefrom; to provide for a program of net energy metering for operators of certain solar
5 electrical cogeneration facilities; to provide for a short title; to provide legislative findings
6 and declarations; to provide for definitions; to provide for procedures, requirements, and
7 limitations; to repeal conflicting laws; and for other purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

10 The General Assembly finds and declares that a program to provide net energy metering for
11 eligible cogenerators is a way to encourage private investment in renewable energy
12 resources, stimulate in-state economic growth, enhance the continued diversification of this
13 state's energy resource mix, and reduce interconnection and administrative costs.

14 **SECTION 2.**

15 Article 1 of Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to
16 generation and distribution of electricity generally, is amended by striking Part 3, "The
17 Georgia Cogeneration Act of 1979," and inserting in lieu thereof the following:

18 **"Part 3**

19 46-3-50.

20 This part shall be known and may be cited as "The Georgia Cogeneration and Net Metering
21 Act of ~~1979~~ 2001."

1 46-3-51.

2 The legislature finds that it is in the public interest to:

3 (1) Encourage private investment in renewable energy resources;

4 (2) Stimulate the economic growth of Georgia; and

5 (3) Enhance the continued diversification of the energy resources used in Georgia.

6 ~~46-3-51~~ 46-3-52.

7 As used in this part, the term:

8 (1) 'Cogeneration facility' means a facility other than a net metering system which
9 produces electric energy, steam, or other forms of useful energy (such as heat) which are
10 used for industrial, commercial, heating, or cooling purposes.

11 (2) 'Cogenerator' means the person who is the owner of the cogeneration facility.

12 (3) 'Commission' means the Georgia Public Service Commission.

13 (4) 'Customer generator' means a user of a net metering system.

14 (5) 'Electric cooperative' means a member owned association that provides retail electric
15 service to its members.

16 (6) 'Electric service provider' means any electric company, electric cooperative, or
17 municipal electric utility that is engaged in the business of distributing electricity to retail
18 electric customers in the state.

19 ~~(3)~~(7) 'Electric supplier' means any electric light and power company in this state subject
20 to regulation by the commission, any electric membership corporation furnishing
21 wholesale service, any municipality or any association which furnishes wholesale service
22 to any municipality, and the Tennessee Valley Authority.

23 (8) 'Municipal electric utility' means a city or town that owns or operates an electric
24 utility.

25 (9) 'Net metering' means measuring the difference between the electricity supplied by an
26 electric service provider and the electricity generated by a customer generator that is fed
27 back to the electric service provider over the applicable billing period.

28 (10) 'Net metering system' means a facility for the production of electrical energy that:

29 (A) Uses a solar photovoltaic system, fuel cell, or wind turbine;

30 (B) Has a peak generating capacity of not more than 10kW for a residential application
31 and 100 kW for a commercial application;

32 (C) Is located on the customer generator's premises;

33 (D) Operates in parallel with the electric service provider's transmission and
34 distribution facilities; and

35 (E) Is intended primarily to offset part or all of the customer generator's requirements
36 for electricity.

1 (4)(11) 'Person' means a natural person, corporation, trust, partnership, incorporated or
2 unincorporated association, or any other legal entity.

3 ~~46-3-52~~ 46-3-53.

4 (a) Any person may operate a cogeneration facility without being subject to the
5 jurisdiction or regulation of the Georgia Public Service Commission if such person uses
6 all of the electric energy, steam, or other form of useful energy produced at such
7 cogeneration facility. The electric energy shall not be sold to any other person except as
8 provided in Code Section 46-3-53.

9 ~~46-3-53~~.

10 (b) Any person may operate a cogeneration facility and sell any excess electric energy to
11 an electric supplier without being subject to the jurisdiction or regulation of the
12 commission if the power production capacity of such cogeneration facility does not exceed
13 30 megawatts; provided, however, that nothing in this article shall preclude the
14 commission from complying with federal law.

15 46-3-54.

16 An electric service provider:

17 (1) Shall offer to make net metering available to eligible customers generators on a
18 first-come, first-served basis until the cumulative generating capacity of net metering
19 systems equals 0.1 percent of the utility's annual peak demand in the previous year;

20 (2) Shall allow net metering systems to be interconnected using a standard kilowatt-hour
21 meter capable of registering the flow of electricity in two directions, unless the
22 commission, in the case of an electric utility, or the appropriate governing body, in the
23 case of other electric service providers, determines, after appropriate notice and
24 opportunity for comment:

25 (A) That the use of additional metering equipment to monitor the flow of electricity in
26 each direction is necessary and appropriate for the interconnection of net metering
27 systems, after taking into account the benefits and costs of purchasing and installing
28 additional metering equipment; and

29 (B) How the cost of purchasing and installing an additional meter is to be allocated
30 between the customer generator and the utility;

31 (3) Shall charge the customer generator a minimum monthly fee that is the same as other
32 customers of the electric service provider in the same rate class, but shall not charge the
33 customer generator any additional standby, capacity, interconnection, or other fee or
34 charge unless the commission, in the case of an electrical company, or the appropriate

1 governing body, in the case of other electric utilities, determines, after appropriate notice
2 and opportunity for comment that:

3 (A) The electric service provider will incur direct costs associated with interconnecting
4 or administering net metering systems that exceed any offsetting benefits associated
5 with these systems; or

6 (B) Public money is best served by imposing the direct costs on the customer generator
7 rather than allocating these costs among the utility's entire customer base.

8 46-3-55.

9 Consistent with the other provisions of this chapter, the net energy measurement must be
10 calculated in the following manner:

11 (1) The electric service provider shall measure the net electricity produced or consumed
12 during the billing period, in accordance with normal metering practices.

13 (2) If the electricity supplied by the electric service provider exceeds the electricity
14 generated by the customer generator and fed back to the electric service provider during
15 the billing period, the customer generator shall be billed the net electricity supplied by
16 the electric service provider, in accordance with normal metering practices.

17 (3) If electricity generated by the customer generator exceeds the electricity supplied by
18 the electric service provider, the customer generator:

19 (A) Shall be billed for the appropriate customer charges for that billing period, in
20 accordance with Code Section 46-3-53; and

21 (B) Shall be credited for the excess kilowatt-hours generated during the billing period,
22 with this kilowatt-hour credit appearing on the bill for the following billing period. At
23 the beginning of each calendar year, any remaining unused kilowatt-hours credit
24 accumulated during the previous year shall be granted to the electric service provider,
25 without any compensation to the customer generator.

26 46-3-56.

27 (a) A net metering system used by a customer generator shall include, at the customer
28 generator's own expense, all equipment necessary to meet applicable safety, power quality,
29 and interconnection requirements established by the national electrical code, national
30 electrical safety code, the institute of electrical and electronics engineers, and underwriters
31 laboratories.

32 (b) The commission, in the case of an electrical utility, or the appropriate governing body,
33 in the case of other electric service providers, after appropriate notice and opportunity for
34 comment, may adopt by regulation additional safety, power quality, and interconnection

1 requirements for customer generator that the commission or governing body determines
2 are necessary to protect public safety and system reliability.
3 (c) An electric service provider may not require a customer generator whose net metering
4 system meets the standards in subsections (a) and (b) of this Code section to comply with
5 additional safety or performance standards, perform or pay for additional tests, or purchase
6 additional liability insurance. However, an electric service provider shall not be liable
7 directly or indirectly for permitting or continuing to allow an attachment of a net metering
8 system, or for the acts or omissions of the customer generator that cause loss or injury,
9 including death, to any third party."

10

SECTION 3.

11

All laws and parts of laws in conflict with this Act are repealed.