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Chapter Number: C 158 L 00

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Bill Title: Relating to the definition of net metering system  
Bill Description: Relating to the definition of net metering system  
Year Introduced: 2000  
Prime Sponsor: Representative Gombosky  
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CERTIFICATION OF ENROLLMENT  
**ENGROSSED HOUSE BILL 2334**

Chapter 158, Laws of 2000

56th Legislature  
2000 Regular Session

NET METERING SYSTEMS

EFFECTIVE DATE: 6/8/00

Passed by the House February 10, 2000  
Yeas 95 Nays 2

CLYDE BALLARD

**Speaker of the House of Representatives**

FRANK CHOPP

**Speaker of the House of Representatives**

Passed by the Senate March 1, 2000  
Yeas 45 Nays 0

CERTIFICATE

We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 2334** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER

**Chief Clerk**

TIMOTHY A. MARTIN

**Chief Clerk**

BRAD OWEN

**President of the Senate**

Approved March 27, 2000 Place Style On Codes above, and Style Off Codes below.

GARY LOCKE

**Governor of the State of Washington  
Secretary of State  
State of Washington**

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**ENGROSSED HOUSE BILL 2334**

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Passed Legislature - 2000 Regular Session

**State of Washington 56th Legislature 2000 Regular Session**

**By** Representatives Gombosky, DeBolt and Poulsen

Prefiled 1/3/2000. Read first time 01/10/2000. Referred to Committee on Technology, Telecommunications & Energy. Modifying electric utility net-metering systems.

AN ACT Relating to the definition of net metering system; and amending RCW 80.60.010, 80.60.020, and 80.60.040.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec. 1.** RCW 80.60.010 and 1998 c 318 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly indicates otherwise.

- (1) "Commission" means the utilities and transportation commission.
- (2) "Customer-generator" means a user of a net metering system.
- (3) "Electrical company" means a company owned by investors that meets the definition of RCW 80.04.010.
- (4) "Electric cooperative" means a cooperative or association organized under chapter 23.86 or 24.06 RCW.
- (5) "Electric utility" means any electrical company, public utility district, irrigation district, port district, electric cooperative, or municipal electric utility that is engaged in the business of distributing electricity to retail electric customers in the state.
- (6) "Irrigation district" means an irrigation district under chapter 87.03 RCW.
- (7) "Municipal electric utility" means a city or town that owns or operates an electric utility authorized by chapter 35.92 RCW.
- (8) "Net metering" means measuring the difference between the electricity supplied by an electric utility and the electricity generated by a customer-generator that is fed back to the electric utility over the applicable billing period.
- (9) "Net metering system" means a fuel cell or a facility for the production of electrical energy that:
  - (a) Uses as its fuel either solar, wind, or hydropower;
  - (b) Has a generating capacity of not more than twenty-five kilowatts;
  - (c) Is located on the customer-generator's premises;
  - (d) Operates in parallel with the electric utility's transmission and distribution facilities; and
  - (e) Is intended primarily to offset part or all of the customer-generator's requirements for electricity.
- (10) "Port district" means a port district within which an industrial development district has been established as authorized by Title 53 RCW.
- (11) "Public utility district" means a district authorized by chapter 54.04 RCW.

**Sec. 2.** RCW 80.60.020 and 1998 c 318 s 3 are each amended to read as follows:

An electric utility:

- (1) Shall offer to make net metering available to eligible customers-generators on a first-come, first-served basis until the cumulative generating capacity of net metering systems equals 0.1 percent of the utility's peak demand during 1996, of which not less than 0.05 percent shall be attributable to net metering systems that use as its fuel either solar,

wind, or hydropower;

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

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

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

(3) Shall charge the customer-generator a minimum monthly fee that is the same as other customers of the electric utility in the same rate class, but shall not charge the customer-generator any additional standby, capacity, interconnection, or other fee or charge unless the commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, determines, after appropriate notice and opportunity for comment that:

(a) The electric utility will incur direct costs associated with interconnecting or administering net metering systems that exceed any offsetting benefits associated with these systems; and

(b) Public policy is best served by imposing these costs on the customer-generator rather than allocating these costs among the utility's entire customer base.

**Sec. 3.** RCW 80.60.040 and 1998 c 318 s 5 are each amended to read as follows:

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

(2) The commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, after appropriate notice and opportunity for comment, may adopt by regulation additional safety, power quality, and interconnection requirements for customer-generators that the commission or governing body determines are necessary to protect public safety and system reliability.

(3) An electric utility may not require a customer-generator whose net metering system meets the standards in subsections (1) and (2) of this section to comply with additional safety or performance standards, perform or pay for additional tests, or purchase additional liability insurance. However, an electric utility shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net metering system, or for the acts or omissions of the customer-generator that cause loss or injury, including death, to any third party.

Passed the House February 10, 2000.

Passed the Senate March 1, 2000.

Approved by the Governor March 27, 2000.

Filed in Office of Secretary of State March 27, 2000.

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