

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding
5 Section 16-107.5 as follows:

6 (220 ILCS 5/16-107.5 new)

7 Sec. 16-107.5. Net electricity metering.

8 (a) The Legislature finds and declares that a program to
9 provide net electricity metering, as defined in this Section,
10 for eligible customers can encourage private investment in
11 renewable energy resources, stimulate economic growth, enhance
12 the continued diversification of Illinois' energy resource
13 mix, and protect the Illinois environment.

14 (b) As used in this Section, (i) "eligible customer" means
15 a retail customer that owns and operates a solar, wind, or
16 other eligible renewable electrical generating facility with a
17 rated capacity of not more than 2,000 kilowatts that is located
18 on the customer's premises and is intended primarily to offset
19 the customer's own electrical requirements; (ii) "electricity
20 provider" means an electric utility or alternative retail
21 electric supplier; (iii) "eligible renewable electrical
22 generating facility" means a generator powered by solar
23 electric energy, wind, dedicated crops grown for electricity

1 generation, anaerobic digestion of livestock or food
2 processing waste, fuel cells or microturbines powered by
3 renewable fuels, or hydroelectric energy; and (iv) "net
4 electricity metering" (or "net metering") means the
5 measurement, during the billing period applicable to an
6 eligible customer, of the net amount of electricity delivered
7 by an electricity provider to the customer's premises or
8 provided to the electricity provider by the customer.

9 (c) A net-metering facility shall be equipped with metering
10 equipment that can measure the flow of electricity in both
11 directions at the same rate. An eligible customer may choose to
12 use an existing electric revenue meter if the meter is capable
13 of measuring the flow of electricity both into and out of the
14 customer's facility at the same rate and ratio. If the eligible
15 customer's existing electric revenue meter does not meet this
16 requirement, the electricity provider shall install and
17 maintain a new revenue meter at the electricity provider's
18 expense. Any subsequent revenue meter change necessitated by
19 the eligible customer shall be paid for by the customer.

20 (d) An electricity provider shall measure and charge or
21 credit for the net electricity supplied to eligible customers
22 or provided by eligible customers in the following manner:

23 (1) If the amount of electricity used by the customer
24 during the billing period exceeds the amount of electricity
25 produced by the customer, the electricity provider shall
26 charge the customer for the net electricity supplied to and

1 used by the customer as provided in subsection (e) of this
2 Section.

3 (2) If the amount of electricity produced by a customer
4 during the billing period exceeds the amount of electricity
5 used by the customer during that billing period, the
6 electricity provider supplying that customer shall apply a
7 1:1 kilowatt-hour credit, including delivery charges, to
8 the next bill for service to the customer for the net
9 electricity supplied to the electricity provider. The
10 electricity provider shall continue to carry over any
11 excess kilowatt-hour credits earned and apply those
12 credits to subsequent billing periods to offset any
13 customer-generator consumption in those billing periods
14 until all credits are used or until the end of the
15 annualized period.

16 (3) At the end of the year or annualized over the
17 period that service is supplied by means of net energy
18 metering, the electricity provider shall compensate the
19 eligible customer for any excess kilowatt-hour credits at
20 the electricity provider's average cost of electricity
21 supply over the same calendar year period. In lieu of
22 compensation, the eligible customer may elect to carry
23 forward any remaining credits to the next annualized period
24 or until the customer leaves the program, whichever may
25 come first.

26 (e) An electricity provider shall provide to net-metering

1 customers electric service at non-discriminatory rates that
2 are identical, with respect to rate structure, retail rate
3 components, and any monthly charges, to the rates that the
4 customer would be charged if not a net-metering customer. An
5 electricity provider shall not charge net-metering customers
6 any fee or charge or require additional equipment, insurance,
7 or any other requirements not specifically authorized by rule,
8 unless the fee, charge, or other requirement would apply to
9 other similarly situated customers who are not net-metering
10 customers.

11 (f) For purposes of federal and State laws providing
12 renewable energy credits or greenhouse gas credits, the
13 eligible customer shall be treated as owning and having title
14 to the renewable energy attributes, renewable energy credits,
15 and greenhouse gas emission credits related to any electricity
16 produced by the qualified generating unit. The electricity
17 provider may not condition participation in a net-metering
18 program on the signing over of a customer's renewable energy
19 credits.

20 (g) Within 120 days after the effective date of this
21 amendatory Act of the 95th General Assembly, the Commission
22 shall establish standards for net energy metering and the
23 interconnection of eligible renewable generating equipment to
24 the utility system. These standards shall be designed to
25 minimize the procedural barriers, delays, and administrative
26 costs associated with the interconnection of customer

1 generation while ensuring the safety and reliability of such
2 units and the electric utility system. The interconnection
3 standards established under this Section shall be based upon
4 the Institute of Electrical and Electronics Engineers (IEEE)
5 Standard 1547 and shall also include (i) reasonable and fair
6 fees and costs, (ii) clear timelines for major milestones in
7 the interconnection process, (iii) nondiscriminatory terms of
8 agreement, and (iv) any other requirements necessary to ensure
9 that the procedures are equivalent to the current best
10 practices for interconnection of distributed generation.

11 (h) All electricity providers shall begin to offer net
12 energy metering no later than April 1, 2008.

13 (i) An electricity provider must offer net energy metering
14 to eligible customers until the load of its net energy metering
15 customers equals 1% of the total peak demand supplied by that
16 electricity provider during the previous year. Electricity
17 providers are authorized to offer net energy metering beyond
18 the 1% level if they so choose.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.