

HOUSE BILL No. 5673

June 12, 2014, Introduced by Reps. McBroom, Switalski, Irwin, McMillin, Roberts, Dianda, Barnett, Kivela, Zemke, Townsend, Lamonte, Robinson, Kelly and Hovey-Wright and referred to the Committee on Energy and Technology.

A bill to amend 2008 PA 295, entitled
"Clean, renewable, and efficient energy act,"
by amending section 173 (MCL 460.1173).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 173. (1) The commission shall establish a statewide net
2 metering program by order, ~~issued not later than 180 days after the~~
3 ~~effective date of this act. No later than 180 days after the~~
4 ~~effective date of this act,~~ **AND** the commission shall promulgate
5 rules regarding any time limits on the submission of net metering
6 applications or inspections of net metering equipment and any other
7 matters the commission considers necessary to implement this part.
8 Any rules adopted regarding time limits for approval of parallel
9 operation shall recognize reliability and safety complications

including those arising from equipment saturation, use of multiple technologies, and proximity to synchronous motor loads. The program shall apply to all electric utilities and alternative electric suppliers in this state. Except as otherwise provided under this part, ~~customers~~ **A CUSTOMER** of any class ~~are~~ **IS** eligible to interconnect **AN** eligible electric ~~generators~~ **GENERATOR** with the customer's local electric utility and operate the ~~generators~~ **GENERATOR** in parallel with the distribution system. The program shall be designed for a period of not less than ~~10~~ **20** years. ~~and limit each customer to generation capacity designed to meet only the customer's electric needs.~~ The commission may waive the application, interconnection, and installation requirements of this part for customers participating in the net metering program under the commission's March 29, 2005 order in case no. U-14346.

~~—— (2) An electric utility or alternative electric supplier is not required to allow for net metering that is greater than 1% of its in-state peak load for the preceding calendar year. The utility or supplier shall notify the commission if its net metering program reaches the 1% requirement under this subsection. The 1% limit under this subsection shall be allocated as follows:~~

~~—— (a) No more than 0.5% for customers with a system capable of generating 20 kilowatts or less.~~

~~—— (b) No more than 0.25% for customers with a system capable of generating more than 20 kilowatts but not more than 150 kilowatts.~~

~~—— (c) No more than 0.25% for customers with a system capable of generating more than 150 kilowatts.~~

(2) ~~(3)~~ Selection of customers **WHO HAVE SUBMITTED A COMPLETED**

1 **APPLICATION** for participation in the net metering program shall be
2 ~~based on the order in which the applications for participation in~~
3 ~~the net metering program are received by the electric utility or~~
4 ~~alternative electric supplier.~~ **SOLELY ON MEETING THE INTERCONNECTION**
5 **AND EQUIPMENT REQUIREMENTS FOR PARTICIPATION. AN ELECTRIC UTILITY**
6 **OR ALTERNATIVE ELECTRIC SUPPLIER SHALL NOT RESTRICT THE NUMBER OF**
7 **PARTICIPANTS IN THE NET METERING PROGRAM UNLESS IT DEMONSTRATES TO**
8 **THE SATISFACTION OF THE COMMISSION THAT THE RESTRICTION IS**
9 **NECESSARY TO PROTECT THE PUBLIC HEALTH AND SAFETY OR THE INTEGRITY**
10 **OF THE DISTRIBUTION SYSTEM IN A HEARING BEFORE THE COMMISSION.**

11 (3) ~~(4)~~ An electric utility or alternative electric supplier
12 shall not refuse to provide ~~or~~ **AND SHALL NOT** discontinue electric
13 service to a customer solely ~~for the reason that~~ **BECAUSE** the
14 customer participates in the net metering program.

15 (4) ~~(5)~~ The program created under subsection (1) shall include
16 all of the following:

17 (a) Statewide uniform interconnection requirements for all
18 eligible electric generators. The interconnection requirements
19 shall be designed to protect electric utility workers and equipment
20 and the general public.

21 (b) Net metering equipment and its installation must meet all
22 current local and state electric and construction code
23 requirements. Any equipment that is certified by a nationally
24 recognized testing laboratory to IEEE 1547.1 testing standards and
25 in compliance with UL 1741 scope 1.1A, effective May 7, 2007, **OR**
26 **CERTIFIED TO UPDATES OF THOSE TESTING STANDARDS AND THE UL SCOPE**
27 **THAT ARE ADOPTED BY THE COMMISSION, and THAT IS** installed in

1 compliance with this part is considered to be eligible equipment.
2 Within the time provided by the commission in rules promulgated
3 under subsection (1) and consistent with good utility practice,
4 protection of electric utility workers, protection of electric
5 utility equipment, and protection of the general public, an
6 electric utility may study, confirm, and ensure that an eligible
7 electric generator installation at the customer's site meets the
8 IEEE 1547 anti-islanding requirements **OR A COMMISSION-ADOPTED**
9 **UPDATE TO THOSE REQUIREMENTS**. Utility testing and approval of the
10 interconnection and execution of a parallel operating agreement
11 must be completed prior to the equipment operating in parallel with
12 the distribution system of the utility.

13 (c) A uniform application form and process to be used by all
14 electric utilities and alternative electric suppliers in this
15 state. Customers who are served by an alternative electric supplier
16 shall submit a copy of the application to the electric utility for
17 the customer's service area.

18 ~~—— (d) Net metering customers with a system capable of generating~~
19 ~~20 kilowatts or less qualify for true net metering.~~

20 ~~—— (e) Net metering customers with a system capable of generating~~
21 ~~more than 20 kilowatts qualify for modified net metering.~~

22 (5) ~~(6)~~ Each electric utility and alternative electric
23 supplier shall maintain records of all applications and up-to-date
24 records of all active eligible electric generators located within
25 ~~their ITS~~ service area.