AN ACT establishing procedures for municipal host customer-generators of electrical energy.


COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill establishes an exemption under net energy metering for group net metered facilities that are owned or operated by a municipality to offset municipal electricity requirements.

Explanation: Matter added to current law appears in **bold italics.**
Matter removed from current law appears [*in brackets and struckthrough.*]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.
AN ACT establishing procedures for municipal host customer-generators of electrical energy.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Paragraph; Limited Electrical Energy Producers; Definition; Municipal Host. Amend RSA 362-A:1-a by inserting after paragraph X the following new paragraph:

XI. "Municipal Host" means a customer generator with a total peak generating capacity of greater than one megawatt, that is located behind a retail meter on the customer's premises, is interconnected and operates in parallel with the electric grid, and is used to offset the electricity requirements of one or more customers who are political subdivisions of the state located within a single municipality, provided that all customers are located within the same utility franchise service territory.

2 New Section; Municipal Host Exemption. Amend RSA 362-A by inserting after section 9 the following new section:

362-A:10 Municipal Host Exemption Established.

I. A customer-generator may elect to become a municipal host for the purpose of reducing or otherwise controlling the energy costs of a group of customers so long as those entities are a political subdivision of the state. The group of customers shall be located both within the same municipality and service territory of the same electric distribution utility as the municipal host. The municipal host shall provide a list of the group members to the commission and the electric distribution utility and shall certify that all members of the group have executed an agreement with the municipal host regarding the utilization of kilowatt hours produced by the eligible facility and that the total historic annual load of the group members together with the host exceeds the projected annual output of the host’s facility. The commission shall verify that these group requirements have been met and shall register the municipal host. The commission shall establish the process for registering municipal hosts, including periodic re-registration, and the process by which changes in membership are allowed and administered. Net metering tariffs under this chapter shall not be made available to a customer-generator municipal host until such host is registered by the commission.

II. Except as provided in paragraph III, the provisions of this section shall apply to a municipal host as a customer-generator.

III. On an annual basis, for all municipal host systems, the electric distribution utility shall calculate a payment adjustment if the municipal host's surplus generation for which it was paid is greater than the group's total electricity usage during the same time period. The adjustment shall be such that the resulting compensation to the host for the amount that exceeded the group's total...
usage shall be at the utility's avoided cost or its default service rate in accordance with RSA 362-A:9, V(b) or RSA 362-A:9, VI or alternative tariffs that may be applicable pursuant to RSA 362-A:9, XVI. The utility shall pay or bill the host accordingly.

IV. The commission is authorized to assess fines against and revoke the registration of any municipal host which violates the requirements of this section and rules adopted by the commission.

3 Effective Date. This act shall take effect 60 days after its passage.