

Regular Session, 2003

# ACT No. 653

HOUSE BILL NO. 789

BY REPRESENTATIVE DANIEL

## AN ACT

To enact Chapter 49 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 51:3025 through 3027, relative to energy; to enact the Louisiana Renewable Energy Development Act; to authorize the use of net energy metering in Louisiana; to require the Public Service Commission to set certain rates, terms, and contents of net energy metering contracts; to provide for definitions; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 49 of Title 51 of the Louisiana Revised Statutes of 1950, comprised of R.S. 51:3025 through 3027, is hereby enacted to read as follows:

### CHAPTER 49. LOUISIANA RENEWABLE ENERGY

#### DEVELOPMENT ACT

##### §3025. Legislative findings

The legislature hereby finds and declares that:

(1) Net energy metering encourages the use of renewable energy resources and renewable energy technologies. Increasing the consumption of renewable energy resources promotes the wise use of

Louisiana's natural energy resources to meet a growing energy demand, increases Louisiana's use of indigenous energy fuels and fosters investment in emerging renewable technologies to stimulate economic development and job creation in the state.

(2) Louisiana should actively encourage the manufacture of new technologies through promotion of emerging energy technologies. Net energy metering could help to further attract energy technology manufacturers, providing a foothold for these technologies in the Louisiana economy, and easier customer access to these technologies.

#### §3026. Definitions

As used in this Chapter, the following words and phrases shall have the meaning ascribed to them in this Section, unless the context clearly indicates otherwise.

(1) "Commission" means the Louisiana Public Service Commission or other appropriate governing body for an electric utility.

(2) "Electric utility" means a public or investor-owned utility, an electric cooperative, municipal utility, or any private power supplier or marketer that is engaged in the business of supplying electric energy to the ultimate consumer.

(3) "Net energy metering" means measuring the difference between electricity supplied by an electric utility and the electricity generated by a net energy metering customer and sold back to the electric utility over the applicable billing period.

(4) "Net energy metering customer" means an owner of a net energy metering facility.

(5) "Net energy metering facility" means a facility for the production of electrical energy that:

(a) Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity including but not limited to fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources.

(b) Has a generating capacity of not more than twenty-five kilowatts for residential use or one hundred kilowatts for commercial or agricultural use.

(c) Is located in Louisiana.

(d) Can operate with an electric utility's existing transmission and distribution facilities.

(e) Is intended primarily to offset part or all of the net energy metering customer requirements for electricity.

§3027. Net energy metering

A. An electric utility that offers residential or commercial electrical service, or both, shall allow net energy metering facilities to be interconnected using a meter capable of registering the flow of electricity in two directions.

B. The commission, after notice and opportunity for public comment:

(1) Shall establish appropriate rates, terms, and conditions for net energy metering contracts.

(2) Shall authorize an electric utility to assess a net energy metering customer a greater fee or charge, of any type, if the electric utility's direct costs of interconnection and administration of net energy metering outweigh the distribution system, environmental, and public policy benefits of allocating the cost among the electric utility's entire

customer base. The net metering customer shall reimburse the utility for any costs in excess of those to serve a traditional customer.

Section 2. This Act shall become effective on October 1, 2003.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_