

**SENATE BILL No. 322**

By Committee on Utilities

1-24

1 AN ACT concerning utilities; relating to the net metering and easy  
2 connection act; amending K.S.A. 2017 Supp. 66-1263, 66-1265, 66-  
3 1266 and 66-1267 and repealing the existing sections; also repealing  
4 K.S.A. 2017 Supp. 66-1271.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2017 Supp. 66-1263 is hereby amended to read as  
8 follows: 66-1263. K.S.A. 2017 Supp. 66-1263 through ~~66-1271~~ 66-1270,  
9 and amendments thereto, shall be known and may be cited as the net  
10 metering and easy connection act.

11 Sec. 2. K.S.A. 2017 Supp. 66-1265 is hereby amended to read as  
12 follows: 66-1265. Each utility shall:

13 (a) Make net metering available to customer-generators on a first-  
14 come, first-served basis, until the total rated generating capacity of all net  
15 metered systems equals or exceeds ~~one percent~~ 1% of the utility's peak  
16 demand during the previous year. The commission may increase the total  
17 rated generating capacity of all net metered systems to an amount above  
18 ~~one percent~~ 1% after conducting a hearing pursuant to K.S.A. 66-101d,  
19 and amendments thereto;

20 (b) *offer to the customer-generator a tariff or contract that is*  
21 *identical in electrical energy rates, rate structure and monthly charges to*  
22 *the contract or tariff that the customer would be assigned if the customer*  
23 *were not an eligible customer-generator and shall not charge the*  
24 *customer-generator any additional standby, capacity, interconnection or*  
25 *other fee or charge that would not otherwise be charged if the customer*  
26 *were not an eligible customer-generator;*

27 ~~(b)~~ (c) provide ~~an appropriate~~ a residential class bi-directional meter  
28 to the customer-generator at no charge, but may charge the customer-  
29 generator for the cost of any additional metering or distribution equipment  
30 necessary to accommodate the customer-generator's facility; *and*

31 (e) (d) disclose annually the availability of the net metering program  
32 to each of its customers with the method and manner of disclosure being at  
33 the discretion of the utility;

34 ~~(d)~~ ~~for any customer-generator which began operating its renewable~~  
35 ~~energy resource under an interconnect agreement with the utility prior to~~  
36 ~~July 1, 2014, offer to the customer-generator a tariff or contract that is~~

1 identical in electrical energy rates, rate structure and monthly charges to  
2 the contract or tariff that the customer would be assigned if the customer  
3 were not an eligible customer-generator and shall not charge the customer-  
4 generator any additional standby, capacity, interconnection or other fee or  
5 charge that would not otherwise be charged if the customer were not an  
6 eligible customer-generator; and

7 (e) ~~for any customer-generator which began operating its renewable~~  
8 ~~energy resource under an interconnect agreement with the utility on or~~  
9 ~~after July 1, 2014, have the option to propose, within an appropriate rate~~  
10 ~~proceeding, the application of time-of-use rates, minimum bills or other~~  
11 ~~rate structures that would apply to all such customer-generators~~  
12 ~~prospectively.~~

13 Sec. 3. K.S.A. 2017 Supp. 66-1266 is hereby amended to read as  
14 follows: 66-1266. (a) ~~Prior to January 1, 2030, for any customer-generator~~  
15 ~~that began operating a renewable energy resource under an interconnect~~  
16 ~~agreement with the utility prior to July 1, 2014:~~

17 ~~(1) If the electricity supplied by the utility exceeds the electricity~~  
18 ~~generated by the customer-generator during a billing period, the customer-~~  
19 ~~generator shall be billed for the net electricity supplied by the utility in~~  
20 ~~accordance with normal practices for customers in the same rate class.~~

21 ~~(2) (b) If such a customer-generator generates electricity in excess of~~  
22 ~~the customer-generator's monthly consumption, all such net excess energy~~  
23 ~~(NEG), expressed in kilowatt-hours, shall be carried forward from month-~~  
24 ~~to-month and credited at a ratio of one-to-one against the customer-~~  
25 ~~generator's energy consumption, expressed in kilowatt-hours, in~~  
26 ~~subsequent months.~~

27 ~~(3) Any interconnect agreement between such customer-generator~~  
28 ~~and a utility and all such NEG generated under such agreement shall be~~  
29 ~~transferrable and continue in place until January 1, 2030, regardless of~~  
30 ~~whether there is a change in ownership of the property on which the~~  
31 ~~renewable energy resource is located.~~

32 ~~(4) Any NEG resulting from renewable energy resources that are~~  
33 ~~installed on and after July 1, 2014, but are part of an installation of a~~  
34 ~~renewable energy resource that was operating prior to July 1, 2014, shall~~  
35 ~~be carried forward and credited to the customer as if such resources had~~  
36 ~~begun operation prior to July 1, 2014.~~

37 ~~(5) Any net excess generation credit remaining in a net-metering~~  
38 ~~customer's account on March 31 of each year shall expire.~~

39 ~~(b) For any customer-generator that began operating a renewable~~  
40 ~~energy resource under an interconnect agreement with the utility on and~~  
41 ~~after July 1, 2014:~~

42 ~~(1) If the electricity supplied by the utility exceeds the electricity~~  
43 ~~generated by the customer-generator during a billing period, the customer-~~

1 generator shall be billed for the net electricity supplied by the utility.

2 ~~(2) If such customer-generator generates electricity in excess of the~~  
 3 ~~customer-generator's monthly consumption, all such NEG remaining in~~  
 4 ~~such customer-generator's account at the end of each billing period shall be~~  
 5 ~~credited to the customer at a rate of 100% of the utility's monthly system~~  
 6 ~~average cost of energy per kilowatt hour.~~

7 ~~(e) On and after January 1, 2030, for all customer-generators,~~  
 8 ~~regardless of when such customer-generators entered into an interconnect~~  
 9 ~~agreement with the utility:~~

10 ~~(1) If the electricity supplied by the utility exceeds the electricity~~  
 11 ~~generated by the customer-generator during a billing period, the customer-~~  
 12 ~~generator shall be billed for the net electricity supplied by the utility; and~~

13 ~~(2) if such customer-generator generates electricity in excess of the~~  
 14 ~~customer-generator's monthly consumption, all such NEG remaining in a~~  
 15 ~~customer-generator's account at the end of each billing period shall be~~  
 16 ~~credited to the customer at a rate of 100% of the utility's monthly system~~  
 17 ~~average cost of energy per kilowatt hour.~~

18 ~~(c) Any net excess generation credit remaining in a net-metering~~  
 19 ~~customer's account at the end of each calendar year shall expire.~~

20 Sec. 4. K.S.A. 2017 Supp. 66-1267 is hereby amended to read as  
 21 follows: 66-1267. ~~(a) For customer-generators that began operating a~~  
 22 ~~renewable energy resource under an interconnect agreement with the~~  
 23 ~~utility prior to July 1, 2014:~~

24 ~~(1) Such Each utility shall allow:~~

25 ~~(A) (a) Residential customer-generators to generate electricity~~  
 26 ~~subject to net metering up to 25 kilowatts; and~~

27 ~~(B) (b) commercial, industrial, school, local government, state~~  
 28 ~~government, federal government, agricultural and institutional customer-~~  
 29 ~~generators to generate electricity subject to net metering up to 200~~  
 30 ~~kilowatts.~~

31 ~~(2) Nothing in this act shall be construed to prevent such customer-~~  
 32 ~~generators from installing additional renewable energy resources after July~~  
 33 ~~1, 2014, that will generate electricity pursuant to the restrictions contained~~  
 34 ~~in paragraph (1).~~

35 ~~(b) For customer-generators that begin operating a renewable energy~~  
 36 ~~resource under an interconnect agreement with the utility after July 1,~~  
 37 ~~2014, such utility shall allow:~~

38 ~~(1) All residential customer-generators to generate electricity subject~~  
 39 ~~to net metering up to 15 kilowatts;~~

40 ~~(2) commercial, industrial, religious institution, local government,~~  
 41 ~~state government, federal government, agricultural and industrial~~  
 42 ~~customer-generators to generate electricity subject to net metering up to~~  
 43 ~~100 kilowatts, unless otherwise agreed to by the utility and the customer-~~

1 generator; and

2 ~~(3) school customer-generators to generate electricity subject to net~~  
3 ~~metering up to 150 kilowatts. For the purpose of this section, "school"~~  
4 ~~means any postsecondary educational institution as defined in K.S.A. 74-~~  
5 ~~3201b, and amendments thereto, or any public or private school which~~  
6 ~~provides instruction for students enrolled in grade kindergarten or grades~~  
7 ~~one through 12.~~

8 ~~(e) Customer-generators shall appropriately size their generation to~~  
9 ~~their expected load.~~

10 Sec. 5. K.S.A. 2017 Supp. 66-1263, 66-1265, 66-1266, 66-1267 and  
11 66-1271 are hereby repealed.

12 Sec. 6. This act shall take effect and be in force from and after its  
13 publication in the statute book.