SYNOPSIS

Authorizes virtual net metering for certain electric public utility customers connected to certain hydropower facilities and resource recovery facilities.

CURRENT VERSION OF TEXT

As reported by the Senate Economic Growth Committee on November 30, 2017, with amendments.

(Sponsorship Updated As Of: 1/9/2018)
AN ACT concerning certain electric generation facilities, \textsuperscript{1}and\textsuperscript{1} supplementing P.L.1999, c.23 (C.48:3-49 et al).

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. As used in P.L. \textsuperscript{2}, c. (C. \textsuperscript{2}) (pending before the Legislature as this bill):

   “Facility” means a small scale hydropower facility put into service after the effective date of P.L.2012, c.24 with a capacity of three megawatts or less \textsuperscript{2}or a resource recovery facility.\textsuperscript{2}

   1:\textsuperscript{2}“Resource recovery facility” shall have the same meaning as provided in section 3 of P.L.1999, c.23 (C.48:3-51).\textsuperscript{2}

   “Standby charge” means a charge imposed by an electric public utility upon \textsuperscript{1}1:\textsuperscript{[1]}(1)\textsuperscript{1} a facility that delivers or sells power to an end-use customer \textsuperscript{1}1:\textsuperscript{[1]} or \textsuperscript{1}1:\textsuperscript{[2]} upon\textsuperscript{1} an end-use customer of that power, for the recovery of costs necessary to make power available to the facility or the end-use customer during a facility power outage including, but not limited to, the allocation of reasonable capital investment costs and operating and maintenance expenses associated with the electric public utility’s infrastructure needed to provide the standby power.

   “Standby power” means power made available during a facility outage to a facility or to an end-use customer who uses power generated by the facility.

2. At the request of an owner of a facility, an electric public utility shall install distribution lines to connect the facility with the electric public utility’s distribution network. The electric public utility may charge the owner of the facility for the entire amount of costs incurred to connect the facility.

3. a. (1) An electric power supplier or a basic generation service provider shall offer a facility net metering at a non-discriminatory rate. If the amount of electricity generated by the facility, plus any kilowatt hour credits held over from previous billing periods, exceeds the electricity supplied by the electric power supplier or basic generation service provider, then the electric power supplier or basic generation service provider shall credit the facility for the excess kilowatt hours until the end of the annualized period. If any kilowatt hour credit remains at the end of the annualized period, the facility shall be compensated by the electric power supplier or basic generation service provider for any

EXPLANATION – Matter enclosed in bold-faced brackets \textsuperscript{[thus]} in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
\textsuperscript{1}Assembly AEN committee amendments adopted June 15, 2017.
\textsuperscript{2}Senate SEG committee amendments adopted November 30, 2017.
remaining credits or, if the facility chooses, have the electric power
supplier or a basic generation service provider credit the facility on
a real-time basis, at the electric power supplier’s or basic generation
service provider’s avoided cost of wholesale power or the PJM
electric power pool’s real-time locational marginal pricing rate,
adjusted for losses, for the respective zone in the PJM electric
power pool.

(2) In the event that the facility elects not to receive a credit
pursuant to paragraph (1) of this subsection, the facility may
execute a bilateral agreement with an electric power supplier or
basic generation service provider for the sale and purchase of the
facility’s excess generation. The facility may be credited on a real-
time basis, if the facility follows applicable rules prescribed by the
PJM electric power pool for its capacity requirements for the net
amount of electricity supplied by the electric power supplier or
basic generation service provider.

b. A facility may deliver or sell power to up to 10 end-use
customers, who are located within 10 miles of the facility and net-
metered within the service territory of a single electric public
utility, and designate the end-use customers to be credited by the
electric power supplier or basic generation service provider with the
excess generation of the facility. The facility may designate the
proportionate share of the excess electricity generated to credit each
of the designated end-use customers.

c. The owner of a facility who sells or delivers power to an
end-use customer pursuant to the provisions of this section shall not
be considered a public utility pursuant to R.S.48:2-13 or P.L.1999,
c.23 (C.48:3-49 et al.).

4. a. Upon request to an electric public utility, electric power
supplier, or a basic generation service provider for standby
power by a facility that supplies power to an end-use
customer pursuant to section 3 of P.L. , c. (C. ) (pending
before the Legislature as this bill) a facility that supplies power to an end-use
customer of that power, the electric public utility, electric power
supplier, or basic generation provider , as applicable, shall impose
and assess a standby charge.

b. The Board of Public Utilities shall, within 120
days after the effective date of P.L. , c. (C. ) (pending before
the Legislature as this bill), establish criteria for an electric public
utility, electric power supplier, or basic generation provider to
assess and impose a standby charge.

5. This act shall take effect immediately.