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FISCAL IMPACT STATEMENT

LS 6552
BILL NUMBER: SB 300

NOTE PREPARED: Feb 9, 2009
BILL AMENDED:

SUBJECT: Net Metering.

FIRST AUTHOR: Sen. Merritt
FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires an investor-owned electric utility to offer net metering to certain customers that generate electricity from renewable energy resources. The bill establishes a billing method for net metering customers. The bill voids conflicting administrative rules.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *State and Local Government Utility Expenditures:* This bill requires an investor-owned electric utility to offer net metering to eligible net metering customers that install a net metering facility. The bill provides that an investor-owned utility may choose to offer net metering to customers other than eligible net metering customers. To the extent that any governmental entity chooses to install a net metering facility, there could be an impact on that entity's electric utility expenditures. The impact will ultimately depend on the amount of revenue the state or local agency can generate through the sale of renewable energy back to an electric utility.

Background Information: As used in this bill, "net metering" means the measurement of the difference between the electricity that an investor-owned electric utility supplies to an eligible net metering customer and the electricity that an eligible net metering customer supplies back to the investor-owned electric utility.

As used in this bill, "eligible net metering customer" means a customer in good standing that owns and operates a net metering facility that has a nameplate capacity less than or equal to 100 kilowatts.

As used in this bill, "net metering facility" means an arrangement of equipment that is:

1. used for the production of electricity from a renewable energy resource (as defined in IC 8-1-8.8-10);
2. owned and operated by an eligible net metering customer;
3. located on the eligible net metering customer's premises; and
4. used primarily to offset all or part of the eligible net metering customer's own electricity requirements.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

Information Sources:

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