

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 300, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:  
2 A BILL FOR AN ACT to amend the Indiana Code concerning  
3 utilities and transportation.  
4 Delete everything after the enacting clause and insert the  
5 following:  
6 SECTION 1. IC 8-1-38 IS ADDED TO THE INDIANA CODE AS  
7 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
8 1, 2009]:  
9 **Chapter 38. Net Metering**  
10 **Sec. 1. As used in this chapter, "customer" means a person, a**  
11 **firm, a corporation, a municipality, or any other government**  
12 **agency that has agreed to pay for retail electric service from an**  
13 **investor owned utility.**  
14 **Sec. 2. As used in this chapter, "eligible net metering**  
15 **customer" means a customer in good standing that owns and**  
16 **operates a net metering facility that has a nameplate capacity less**  
17 **than or equal to one hundred (100) kilowatts.**  
18 **Sec. 3. As used in this chapter, "in good standing" means a**  
19 **customer:**  
20 **(1) whose account is not more than thirty (30) days in**  
21 **arrears; and**  
22 **(2) who does not have any legal orders outstanding**  
23 **pertaining to the customer's investor owned electric utility.**  
24 **Sec. 4. As used in this chapter, "interconnected" or**  
25 **"interconnection" means the physical, parallel connection of a net**  
26 **metering facility with a distribution facility of an investor owned**

1 electric utility.

2       **Sec. 5.** As used in this chapter, "investor owned electric  
3 utility" or "utility" means an electric utility that is financed by the  
4 sale of securities and whose business operations are overseen by a  
5 board representing the shareholders of the electric utility.

6       **Sec. 6.** As used in this chapter, "nameplate capacity" means  
7 the full load, continuous rating of a generator under specified  
8 conditions as designated by the manufacturer.

9       **Sec. 7.** As used in this chapter, "net metering" means the  
10 measurement of the difference between:

11       (1) the electricity that an investor owned electric utility  
12 supplies to an eligible net metering customer; and

13       (2) the electricity that an eligible net metering customer  
14 supplies back to the investor owned electric utility.

15       **Sec. 8.** As used in this chapter, "net metering facility" means  
16 an arrangement of equipment that is:

17       (1) used for the production of electricity from a renewable  
18 energy resource (as defined in IC 8-1-8.8-10);

19       (2) owned and operated by an eligible net metering  
20 customer;

21       (3) located on the eligible net metering customer's premises;  
22 and

23       (4) used primarily to offset all or part of the eligible net  
24 metering customer's own electricity requirements.

25       **Sec. 9.** As used in this chapter, "parallel" means the designed  
26 operation of the net metering facility, interconnection equipment,  
27 and the investor owned electric utility's system where the  
28 instantaneous flow of electrical energy may automatically occur in  
29 either direction across the interconnection point between the net  
30 metering facility and the electrical utility's distribution system.

31       **Sec. 10. (a)** An investor owned electric utility shall offer net  
32 metering to eligible net metering customers that install a net  
33 metering facility.

34       **(b)** An investor owned electric utility may offer net metering  
35 to customers other than eligible net metering customers.

36       **(c)** An investor owned electric utility that offers net metering  
37 to its customers may limit the total amount of net metering facility  
38 nameplate capacity under the net metering tariff to one percent  
39 (1%) of the most recent summer peak load of the utility.

40       **Sec. 11.** An investor owned electric utility shall determine an  
41 eligible net metering customer's monthly bill as follows:

42       (1) Bill charges, credits, rates, and adjustments must be in  
43 accordance with the utility's tariff and administrative rules  
44 that would apply if the eligible net metering customer did not  
45 participate in net metering.

46       (2) If the amount of electricity generated during a billing  
47 cycle by the net metering customer and delivered to the  
48 electric utility is less than the amount of electricity delivered  
49 during the same billing cycle by the electric utility to the net  
50 metering customer, the electric utility shall bill the net

1           metering customer for the difference between the amounts at  
2           the applicable rate under the tariff filed by the electric utility  
3           with the commission.

4           **(3) If the amount of electricity generated during a billing**  
5           **cycle by the net metering customer and delivered to the**  
6           **electric utility exceeds the amount of electricity delivered**  
7           **during the same billing cycle by the electric utility to the net**  
8           **metering customer, the electric utility shall credit the**  
9           **difference between the amounts, measured in kilowatt hours,**  
10          **to the net metering customer in the next billing cycle.**

11          **(4) If an eligible net metering customer becomes ineligible or**  
12          **otherwise stops participating in an investor owned electric**  
13          **utility's net metering tariff, any remaining credit determined**  
14          **under subdivision (3) reverts to the utility.**

15          **Sec. 12. A rule that is:**

16          **(1) adopted by the commission and codified at 170 IAC 4-4.2;**

17          **and**

18          **(2) contrary to this chapter;**

19          **is void.**

            (Reference is to SB 300 as introduced.)

**and when so amended that said bill be reassigned to the Senate Committee on Utilities and Technology.**

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LONG, Chairperson