

# HOUSE BILL No. 4881

September 17, 2015, Introduced by Reps. McBroom, Robinson, Hovey-Wright, Dianda, Irwin, Cochran and Inman and referred to the Committee on Energy Policy.

A bill to amend 2008 PA 295, entitled  
"Clean, renewable, and efficient energy act,"  
by amending section 173 (MCL 460.1173).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 173. (1) The commission shall establish a statewide net  
2           metering program by order, ~~issued not later than 180 days after the~~  
3           ~~effective date of this act. No later than 180 days after the~~  
4           ~~effective date of this act,~~ **AND** the commission shall promulgate  
5           rules regarding any time limits on the submission of net metering  
6           applications or inspections of net metering equipment and any other  
7           matters the commission considers necessary to implement this part.  
8           Any rules adopted regarding time limits for approval of parallel  
9           operation shall recognize reliability and safety complications  
10          including those arising from equipment saturation, use of multiple

1 technologies, and proximity to synchronous motor loads. The program  
 2 shall apply to all electric utilities and alternative electric  
 3 suppliers in this state. Except as otherwise provided under this  
 4 part, ~~customers~~ **A CUSTOMER** of any class ~~are~~ **IS** eligible to  
 5 interconnect **AN** eligible electric ~~generators~~ **GENERATOR** with the  
 6 customer's local electric utility and operate the ~~generators~~  
 7 **GENERATOR** in parallel with the distribution system. The program  
 8 shall be designed for a period of not less than ~~10~~ **20** years. ~~and~~  
 9 ~~limit each customer to generation capacity designed to meet only~~  
 10 ~~the customer's electric needs.~~ The commission may waive the  
 11 application, interconnection, and installation requirements of this  
 12 part for customers participating in the net metering program under  
 13 the commission's March 29, 2005 order in case no. U-14346.

14 ~~—— (2) An electric utility or alternative electric supplier is~~  
 15 ~~not required to allow for net metering that is greater than 1% of~~  
 16 ~~its in state peak load for the preceding calendar year. The utility~~  
 17 ~~or supplier shall notify the commission if its net metering program~~  
 18 ~~reaches the 1% requirement under this subsection. The 1% limit~~  
 19 ~~under this subsection shall be allocated as follows:~~

20 ~~—— (a) No more than 0.5% for customers with a system capable of~~  
 21 ~~generating 20 kilowatts or less.~~

22 ~~—— (b) No more than 0.25% for customers with a system capable of~~  
 23 ~~generating more than 20 kilowatts but not more than 150 kilowatts.~~

24 ~~—— (c) No more than 0.25% for customers with a system capable of~~  
 25 ~~generating more than 150 kilowatts.~~

26 (2) ~~(3)~~ Selection of customers **WHO HAVE SUBMITTED A COMPLETED**  
 27 **APPLICATION** for participation in the net metering program shall be

1 based on the order in which the applications for participation in  
 2 the net metering program are received by the electric utility or  
 3 alternative electric supplier. **SOLELY ON MEETING THE INTERCONNECTION  
 4 AND EQUIPMENT REQUIREMENTS FOR PARTICIPATION. AN ELECTRIC UTILITY  
 5 OR ALTERNATIVE ELECTRIC SUPPLIER SHALL NOT RESTRICT THE NUMBER OF  
 6 PARTICIPANTS IN THE NET METERING PROGRAM UNLESS IT DEMONSTRATES TO  
 7 THE SATISFACTION OF THE COMMISSION THAT THE RESTRICTION IS  
 8 NECESSARY TO PROTECT THE PUBLIC HEALTH AND SAFETY OR THE INTEGRITY  
 9 OF THE DISTRIBUTION SYSTEM IN A HEARING BEFORE THE COMMISSION.**

10 (3) ~~(4)~~ An electric utility or alternative electric supplier  
 11 shall not refuse to provide ~~or~~ **AND SHALL NOT** discontinue electric  
 12 service to a customer solely ~~for the reason that~~ **BECAUSE** the  
 13 customer participates in the net metering program.

14 (4) ~~(5)~~ The program created under subsection (1) shall include  
 15 all of the following:

16 (a) Statewide uniform interconnection requirements for all  
 17 eligible electric generators. The interconnection requirements  
 18 shall be designed to protect electric utility workers and equipment  
 19 and the general public.

20 (b) ~~Net metering equipment~~ **REQUIREMENTS THAT AN ELIGIBLE  
 21 ELECTRIC GENERATOR** and its installation ~~must~~ meet all current local  
 22 and state electric and construction code requirements. Any  
 23 equipment that is certified by a nationally recognized testing  
 24 laboratory to IEEE 1547.1 testing standards and in compliance with  
 25 UL 1741 scope 1.1A, effective May 7, 2007, **OR UPDATES OF THOSE  
 26 TESTING STANDARDS AND THE UL SCOPE THAT ARE ADOPTED BY THE  
 27 COMMISSION,** and **THAT IS** installed in compliance with this part is

1 considered to be eligible equipment. Within the time provided by  
2 the commission in rules promulgated under subsection (1) and  
3 consistent with good utility practice, protection of electric  
4 utility workers, protection of electric utility equipment, and  
5 protection of the general public, an electric utility may study,  
6 confirm, and ensure that an eligible electric generator  
7 installation at the customer's site meets the IEEE 1547 ~~anti-~~  
8 ~~islanding requirements.~~ **OR A COMMISSION-ADOPTED UPDATE TO THOSE**  
9 **REQUIREMENTS.** Utility testing and approval of the interconnection  
10 and execution of a parallel operating agreement must be completed  
11 prior to the equipment operating in parallel with the distribution  
12 system of the utility.

13 (c) A uniform application form and process to be used by all  
14 electric utilities and alternative electric suppliers in this  
15 state. Customers who are served by an alternative electric supplier  
16 shall submit a copy of the application to the electric utility for  
17 the customer's service area.

18 ~~—— (d) Net metering customers with a system capable of generating~~  
19 ~~20 kilowatts or less qualify for true net metering.~~

20 ~~—— (e) Net metering customers with a system capable of generating~~  
21 ~~more than 20 kilowatts qualify for modified net metering.~~

22 (5) ~~(6)~~ Each electric utility and alternative electric  
23 supplier shall maintain records of all applications and up-to-date  
24 records of all active eligible electric generators located within  
25 ~~their ITS~~ service area.

26 Enacting section 1. This amendatory act takes effect 90 days  
27 after the date it is enacted into law.