

Chapter 80.60 RCW
NET METERING OF ELECTRICITY

Sections

- 80.60.005 Findings.
- 80.60.010 Definitions.
- 80.60.020 Available on first-come, first-served basis—
Interconnected metering systems allowed—Charges to customer-generator—Consumer-owned utility may develop standard rate or tariff schedule.
- 80.60.030 Net energy measurement, charges for kilowatt-hour consumption, and credits for excess kilowatt-hour generation—Required calculation—Unused credit—Net metering system—Customer-generator meter aggregation.
- 80.60.040 Safety, power quality, and interconnection requirements—Customer-generator's expense—Commission may adopt additional requirements.

RCW 80.60.005 Findings. The legislature finds that it is in the public interest to:

- (1) Encourage private investment in renewable energy resources;
- (2) Stimulate the economic growth of this state; and
- (3) Enhance the continued diversification of the energy resources used in this state. [1998 c 318 s 1.]

RCW 80.60.010 Definitions. The definitions in this section apply throughout this chapter unless the context clearly indicates otherwise.

- (1) "Aggregated meter" means an electric service meter measuring electric energy consumption that is eligible to receive credits under a meter aggregation arrangement as described in RCW 80.60.030.
- (2) "Commission" means the utilities and transportation commission.
- (3) "Consumer-owned utility" means a municipal electric utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, or a mutual corporation or association formed under chapter 24.06 RCW, that is engaged in the business of distributing electricity to more than one retail electric customer in the state.
- (4) "Customer-generator" means a user of a net metering system.
- (5) "Designated meter" means an electric service meter at the service of a net metering system that is interconnected to the utility distribution system.
- (6) "Electric cooperative" means a cooperative or association organized under chapter 23.86 or 24.06 RCW.
- (7) "Electric utility" means any electrical company, public utility district, irrigation district, port district, electric cooperative, or municipal electric utility that is engaged in the business of distributing electricity to retail electric customers in the state.
- (8) "Electrical company" means a company owned by investors that meets the definition of RCW 80.04.010.

(9) "Irrigation district" means an irrigation district under chapter 87.03 RCW.

(10) "Meter aggregation" means the administrative combination of billing net energy consumption from a designated net meter and eligible aggregated meter.

(11) "Municipal electric utility" means a city or town that owns or operates an electric utility authorized by chapter 35.92 RCW.

(12) "Net metering" means measuring the difference between the electricity supplied by an electric utility and the excess electricity generated by a customer-generator's net metering system over the applicable billing period.

(13) "Net metering system" means a fuel cell, a facility that produces electricity and used and useful thermal energy from a common fuel source, or a facility for the production of electrical energy that generates renewable energy, and that:

(a) Has an electrical generating AC capacity of not more than one hundred kilowatts;

(b) Is located on the customer-generator's premises;

(c) Operates in parallel with the electric utility's transmission and distribution facilities and is connected to the electric utility's distribution system; and

(d) Is intended primarily to offset part or all of the customer-generator's requirements for electricity.

(14) "Port district" means a port district within which an industrial development district has been established as authorized by Title 53 RCW.

(15) "Premises" means any residential property, commercial real estate, or lands, owned or leased by a customer-generator within the service area of a single electric utility.

(16) "Public utility district" means a district authorized by chapter 54.04 RCW.

(17) "Renewable energy" means energy generated by a facility that uses water, wind, solar energy, or biogas as a fuel.

(18) "Retail electric customer" includes an individual, organization, group, association, partnership, corporation, agency, unit of state government, or entity that is connected to the electric utility's distribution system and purchases electricity for ultimate consumption and not for resale. [2019 c 235 s 1; 2007 c 323 s 1; 2006 c 201 s 1; 2000 c 158 s 1; 1998 c 318 s 2.]

Reviser's note: The definitions in this section have been alphabetized pursuant to RCW 1.08.015(2)(k).

**RCW 80.60.020 Available on first-come, first-served basis—
Interconnected metering systems allowed—Charges to customer-generator
—Consumer-owned utility may develop standard rate or tariff schedule.**

(1) An electric utility:

(a) Shall offer to make net metering, pursuant to RCW 80.60.030, available to eligible customer-generators on a first-come, first-served basis until the earlier of either: (i) June 30, 2029; or (ii) the first date upon which the cumulative generating capacity of net metering systems equals four percent of the utility's peak demand during 1996. Not less than one-half of the utility's 1996 peak demand available for net metering systems shall be reserved for the cumulative generating capacity attributable to net metering systems that generate renewable energy;

(b) Shall allow net metering systems to be interconnected using a standard kilowatt-hour meter capable of registering the flow of electricity in two directions, unless the commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, determines, after appropriate notice and opportunity for comment:

(i) That the use of additional metering equipment to monitor the flow of electricity in each direction is necessary and appropriate for the interconnection of net metering systems, after taking into account the benefits and costs of purchasing and installing additional metering equipment; and

(ii) How the cost of purchasing and installing an additional meter is to be allocated between the customer-generator and the utility;

(c) Shall charge the customer-generator a minimum monthly fee that is the same as other customers of the electric utility in the same rate class, but shall not charge the customer-generator any additional standby, capacity, interconnection, or other fee or charge unless the commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, determines, after appropriate notice and opportunity for comment that:

(i) The electric utility will incur direct costs associated with interconnecting or administering net metering systems that exceed any offsetting benefits associated with these systems; and

(ii) Public policy is best served by imposing these costs on the customer-generator rather than allocating these costs among the utility's entire customer base.

(2) If a production meter and software is required by the electric utility to provide meter aggregation under RCW 80.60.030(4), the customer-generator is responsible for the purchase of the production meter and software.

(3) (a) (i) A consumer-owned utility may develop a standard rate or tariff schedule that deviates from RCW 80.60.030 for eligible customer-generators to take effect at the earlier of either: (A) June 30, 2029; or (B) the first date upon which the cumulative generating capacity of net metering systems equals four percent of the utility's peak demand during 1996.

(ii) An electrical company may submit a filing with the commission to develop a standard tariff schedule that deviates from RCW 80.60.030 for eligible customer-generators. The commission must approve, reject, or approve with conditions a net metering tariff schedule pursuant to this subsection within one year of an electrical company filing. If the commission approves the filing with conditions, the investor-owned utility may choose to accept the tariff schedule with conditions or file a new tariff schedule with the commission.

(b) An approved standard rate or tariff schedule under this subsection applies to any customer-generator subject to an interconnection agreement entered into: (i) After June 30, 2029, or (ii) the first date upon which the cumulative generating capacity of net metering systems pursuant to RCW 80.60.030 equals four percent of the utility's peak demand during 1996, whichever is earlier, unless the commission or governing body determines that a customer-generator is eligible for net metering under a rate or tariff schedule pursuant to RCW 80.60.030.

(c) (i) A consumer-owned utility must notify the Washington State University extension energy program sixty days in advance of when a

standard rate for an eligible customer-generator is first placed on the agenda of the governing body.

(ii) Each electric utility must give notice by July 31, 2020, and semiannually thereafter, to the Washington State University extension energy program of the status of meeting the cumulative generating capacity available to net metering systems pursuant to subsection (1)(a) of this section.

(iii) The Washington State University extension energy program must make available on its website a list of the following:

(A) Each electric utility's progress on reaching the cumulative generating capacity available to net metering systems pursuant to subsection (1)(a) of this section;

(B) Electric utilities that have provided notice of a rate or tariff schedule under this subsection; and

(C) Electric utilities that have adopted a standard rate or tariff schedule under this subsection.

(d) If the commission does not approve an electrical company's tariff schedule under (a)(ii) of this subsection, the commission may determine the alternative cumulative generating capacity available to net metering systems pursuant to RCW 80.60.030.

(4)(a) An electric utility must continue to credit a customer-generator pursuant to RCW 80.60.030 if:

(i) The customer-generator takes service under net metering prior to the earlier of: (A) June 30, 2029; or (B) the first date upon which the cumulative generating capacity of net metering systems reaches four percent of the utility's peak demand in 1996; and

(ii) The customer-generator's existing interconnection agreement for the net metering system remains valid.

(b) The commission, in the case of electrical companies, and a governing body, in the case of consumer-owned utilities, must determine as part of a standard rate or tariff schedule under this subsection when customer-generators become ineligible for credit pursuant to RCW 80.60.030.

(c) Upon adoption of a standard rate or tariff schedule by the commission or governing body pursuant to subsection (3)(a) of this section, the electric utility is exempt from requirements under subsection (1)(c) of this section and RCW 80.60.030 for new interconnection agreements. [2019 c 235 s 2; 2007 c 323 s 2; 2006 c 201 s 2; 2000 c 158 s 2; 1998 c 318 s 3.]

RCW 80.60.030 Net energy measurement, charges for kilowatt-hour consumption, and credits for excess kilowatt-hour generation—Required calculation—Unused credit—Net metering system—Customer-generator meter aggregation. Consistent with the other provisions of this chapter, the net energy measurement, billed charges for kilowatt-hour consumption, and credits for excess kilowatt-hour generation by a net metered system, must be calculated in the following manner:

(1) The electric utility shall measure the net electricity produced or consumed during the billing period, in accordance with normal metering practices.

(2) If the electricity supplied by the electric utility exceeds the electricity generated by the customer-generator's net metering system and fed back to the electric utility during the billing period, the customer-generator shall be billed for the net electricity

supplied by the electric utility, in accordance with normal metering practices.

(3) If excess electricity generated by the net metering system during a billing period exceeds the electricity supplied by the electric utility during the same billing period, the customer-generator:

(a) Shall be billed for the appropriate customer charges for that billing period, in accordance with RCW 80.60.020; and

(b) Shall be credited for the excess kilowatt-hours generated during the billing period, with the credit for kilowatt-hours appearing on the bill for the following billing period.

(4) If a customer-generator requests, an electric utility shall provide such a customer-generator meter aggregation.

(a) For a customer-generator participating in meter aggregation, credits for kilowatt-hours earned by the customer-generator's net metering system during the billing period first shall be used to offset electricity supplied by the electric utility at the location of the customer-generator's designated meter.

(b) A customer-generator may aggregate a designated meter with one additional aggregated meter located on the same parcel as the designated meter or a parcel that is contiguous with the parcel where the designated meter is located.

(c) For the purposes of (b) of this subsection, a parcel is considered contiguous if they share a common property boundary, but may be separated only by a road or rail corridor.

(d) A retail electric customer who is a customer-generator and receives retail electric service from an electric utility at an aggregated meter must be the same retail electric customer who receives retail electric service from such an electric utility at the designated meter that is located on the premises where such a customer-generator's net metering system is located.

(e) Credits for excess kilowatt-hours earned by the net metering system at the site of a designated meter during a billing period shall be credited by the electric utility for kilowatt-hour charges due at the aggregated meter at the applicable rate of the aggregated meter.

(f) If credits generated in any billing period exceed total consumption for that billing period at both meters that are part of an aggregated arrangement, credits are retained pursuant to subsections (3) and (5) of this section.

(g) Credits carried over from one billing period to the next pursuant to (f) of this subsection must be applied in subsequent billing periods in the same manner described under (a) and (e) of this subsection.

(h) Meters so aggregated shall not change rate classes due to meter aggregation under this section.

(5) On March 31st of each calendar year, any remaining unused credits for kilowatt-hours accumulated during the previous year shall be granted to the electric utility, without any compensation to the customer-generator.

(6) Nothing in this section prohibits a utility from allowing aggregation under terms different than the requirements of subsection (4) of this section if a customer-generator has an existing arrangement for meter aggregation in effect or a customer submits a written request for aggregation on or before July 1, 2019.

(7) Nothing in this section prohibits the owner of multifamily residential facility from installing a net metering system as defined in RCW 80.60.010 assigned to a single designated meter located on the

premises of the multifamily residential facility where the tenants are not individually metered customers of the utility and distributing any benefits of the net metering to tenants of the facility where the net metering system is located. The utility must measure the net energy produced and provide credit to the single designated meter to which the net metering system is assigned in accordance with subsections (1) through (3) of this section or under the terms of a standard rate or tariff schedule established under RCW 80.60.020(3). The distribution of benefits to tenants of such a system, if any, is the responsibility of the owner of the net metering system and not the responsibility of the utility. [2019 c 235 s 3; 2007 c 323 s 3; 2006 c 201 s 3; 1998 c 318 s 4.]

RCW 80.60.040 Safety, power quality, and interconnection requirements—Customer-generator's expense—Commission may adopt additional requirements.

(1) A net metering system used by a customer-generator shall include, at the customer-generator's own expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the national electrical code, national electrical safety code, the institute of electrical and electronics engineers, and underwriters laboratories.

(2) The commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, after appropriate notice and opportunity for comment, may adopt by regulation additional safety, power quality, and interconnection requirements for customer-generators, including limitations on the number of customer-generators and total capacity of net metering systems that may be interconnected to any distribution feeder line, circuit, or network that the commission or governing body determines are necessary to protect public safety and system reliability.

(3) An electric utility may not require a customer-generator whose net metering system meets the standards in subsections (1) and (2) of this section to comply with additional safety or performance standards, perform or pay for additional tests, or purchase additional liability insurance. However, an electric utility shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net metering system, or for the acts or omissions of the customer-generator that cause loss or injury, including death, to any third party.

(4) Except when required under the federal public utility regulatory policies act, an electric utility may not establish compensation arrangements or interconnection requirements, other than those permitted in this chapter, for a customer-generator that would have the effect of prohibiting or restricting the ability of a customer-generator to generate or store electricity for consumption on its premises. [2019 c 235 s 4; 2006 c 201 s 4; 2000 c 158 s 3; 1998 c 318 s 5.]