

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 4901:1-10-28

Rule Type: New

Rule Title/Tagline: Net metering.

Agency Name: Public Utilities Commission of Ohio

Division: Utilities

Address: 180 East Broad Street Columbus OH 43215-3793

Contact: Angela Hawkins

Email: angela.hawkins@puco.ohio.gov **Phone:** 614-466-0122

I. Rule Summary

1. **Is this a five year rule review?** No
 - A. **What is the rule's five year review date?**
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 111.15
4. **What statute(s) grant rule writing authority?** 4928.06, 4928.11, 4905.28, 4928.67
5. **What statute(s) does the rule implement or amplify?** 4928.67, 4928.11, 4905.28
6. **What are the reasons for proposing the rule?**

This rule is being filed as New because there were more than 50 percent changes to the version that was effective June 29, 2009 for the five-year review date of September 30, 2012 which is being rescinded in this package no. 185914.

7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

This rule encompasses the definitions and requirements for implementing net metering. Paragraph A sets forth the definitions used within the rule. Paragraph (B)(1) sets forth electric distribution utilities' obligations in offering a standard net

metering tariff or a hospital net metering tariff to all customer-generators within its certified service territory; this paragraph also sets forth the general terms under which a competitive retail electric service provider may offer net metering. Paragraph (B) (2) sets forth the different types of fuel a net metering system must use. Paragraph (B)(3) provides that net metering shall be made available regardless of when a net metering system was installed. Paragraphs (B)(4) and (5) provide that standard net metering tariffs be identical in rate structure, retail rate components, and monthly charges to the tariffs the customer would be assigned if not a customer-generator; that electric distribution utilities provide information regarding net metering to any customer upon request; and that electric utilities not require customer-generators to perform or pay for additional tests, purchase additional insurance, or comply with any safety or performance standards beyond those established by Chapter 4901:1-22 of the Ohio Administrative Code and R.C. 4928.67(B)(4). Paragraphs (B)(6), (7), and (8) set forth provisions regarding the placement and sizing of net metering systems, as well as necessary metering devices and related responsibilities of both electric utilities and customer-generators. Paragraph (B)(9) describes the measurement of and compensation for excess electricity generated by a net metering customer, as well as the calculation and reporting of related data. Paragraph (B)(10) prevents an electric utility from imposing on customer-generators any charges related to electricity the customer-generator feeds back to the system. Paragraph (B)(11) requires customer-generators to comply with the interconnection standards in Ohio Adm.Code Chapter 4901:1-22. Paragraphs (B)(12) and (13) set forth provisions regarding renewable energy credits and annual reporting to the Commission.

8. **Does the rule incorporate material by reference? No**
9. **If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.71 to 121.76, please explain the basis for the exemption and how an individual can find the referenced material.**

Not Applicable

10. **If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not Applicable

II. Fiscal Analysis

11. **As a result of this proposed rule, please estimate the increase / decrease in revenues or expenditures affecting this agency, or the state generally, in the current biennium**

or future years. If the proposed rule is likely to have a different fiscal effect in future years, please describe the expected difference and operation.

This will have no impact on revenues or expenditures.

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Not Applicable

- 12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

There is no estimated cost of compliance with this rule filing.

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

- 14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

III. Common Sense Initiative (CSI) Questions

- 15. Was this rule filed with the Common Sense Initiative Office? Yes**

- 16. Does this rule have an adverse impact on business? No**

A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No

B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No

C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

4901:1-10-28(B)(13) requires electric utilities to report the total number and installed capacity of customer-generators on the electric utility's net metering tariffs for each technology and consumer class annually.