

4901:1-10-28      **Net metering.**

(A) For purposes of this rule, the following definitions shall apply:

- (1) "Customer-generator" shall have the meaning set forth in section 4928.01(A)(29) of the Revised Code. A customer that hosts or leases third-party owned generation equipment on its premises is considered a customer-generator.
- (2) "Electric utility" shall have the meaning set forth in section 4928.01(A)(11) of the Revised Code.
- (3) "Excess-generator" means a customer-generator that generates in excess of the customer-generator's requirements for electricity as specified in (B)(6) of this rule.
- (4) "Net metering" shall have the meaning set forth in section 4928.01(A)(30) of the Revised Code.
- (5) "Net metering system" shall have the meaning set forth in section 4928.01(A)(31) of the Revised Code.
- (6) "Third party" means a person or entity that may be indirectly involved or affected but is not a principal party to an arrangement, contract, or transaction between other parties.

(B) Standard net metering.

- (1) Each electric utility shall develop a tariff for net metering. Such tariff shall be made available to customer-generators upon request in a timely manner and on a nondiscriminatory basis.
- (2) Net metering arrangements shall be made available regardless of the date the customer-generator's generating facility was installed.
- (3) The electric utility's tariff for net metering shall be identical in rate structure, all retail rate components, and any monthly charges, to the tariff to which the same customer would be assigned if that customer were not a customer-generator. Such terms shall not change simply because a customer becomes a customer-generator. The tariff shall also contain provisions on the procedures the electric utility will follow in working with and handling a customer-generator that becomes an excess-generator. If a customer-generator becomes an excess-generator after any twelve-month period, the electric utility shall contact the customer-generator in order to resolve the change in status.
  - (a) The electric utility shall disclose on the electric utility's website and to customer-generators upon request, the name, address, telephone

number, and email address of the electric utility's net metering department or contact person.

(b) The electric utility shall provide all necessary information regarding a customer's potential enrollment in net metering on the electric utility's website. The electric utility shall also provide this information to a customer within the net metering application packet. The website and application packet shall describe and/or provide the following information in a straightforward manner: net metering tariff terms and conditions, sample net metering and interconnection agreements, and the terms and conditions regarding excess generation. The terms and conditions regarding excess generation should include, but are not limited to, criteria used in determining whether a customer-generator is considered to be an excess-generator and the procedures an electric utility has in place to address excess-generator situations. The website and application packet shall also provide information on costs that the customer may incur as a result of net metering enrollment, including, but not limited to, any costs associated with the following: application, interconnection, and meter installation.

(4) No electric utility's tariff for net metering shall require customer-generators to:

(a) Comply with any additional safety or performance standards beyond those established by rules in Chapter 4901:1-22 of the Administrative Code, and the "National Electrical Code," the "Institute of Electrical and Electronics Engineers," and "Underwriters Laboratories," in effect as set forth in rule 4901:1-22-03 of the Administrative Code.

(b) Perform or pay for additional tests beyond those required by paragraph (B)(4)(a) of this rule.

(c) Purchase additional liability insurance beyond that required by paragraph (B)(4)(a) of this rule.

(5) A customer-generator's premises include areas owned, operated, or leased by the customer-generator. A net metering system must be located on the customer-generator's premises, which may include a contiguous lot that is owned, operated, or leased by the customer-generator. For purposes of this rule, a property is considered a contiguous lot, regardless of easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way contained on such lot.

(6) A customer-generator must intend primarily to offset part or all of the customer-generator's requirements for electricity. A customer-generator that annually generates less than one hundred and twenty percent of its requirements for electricity is presumed to be primarily intending to offset

part or all of its requirements for electricity.

(7) A customer-generator's requirements for electricity is the average amount of electricity consumed annually by the customer-generator over the previous three years. If the electric utility does not have the data or cannot calculate the average amount of electricity consumed annually over the previous three years, such as in instances of new construction, vacant properties, facility expansion, or other unique circumstances, the electric utility shall use any available consumption data and any appropriate data or measures submitted by the customer-generator to determine the customer-generator's consumption baseline for sizing a facility, and provide the estimation data to the customer-generator.

(8) Net metering shall be accomplished using a single meter capable of registering the flow of electricity in each direction. A customer's existing single-register meter that is capable of registering the flow of electricity in each direction satisfies this requirement. If the customer's existing electrical meter is not capable of measuring the flow of electricity each direction, the electric utility, upon written request from the customer, shall install at the customer's expense a meter that is capable of measuring electricity flow in each direction. The electric utility shall provide a detailed cost estimate to the customer as outlined in (B)(3)(b) of this rule.

(a) The electric utility, at its own expense and with the written consent of the customer-generator, may install one or more additional meters to monitor the flow of electricity in each direction.

(b) If a customer's existing meter needs to be reprogrammed or set up for the customer to become a customer-generator or to accommodate net metering, the electric utility shall provide the customer a detailed cost estimate for the reprogramming or setup of the existing meter. The cost of setting up the meter to accommodate net metering shall be at the customer's expense. If a customer-generator has a meter that is capable of measuring the flow of electricity in each direction, is sufficient for net metering, and there are no set up costs, then the customer-generator shall not be charged meter fees.

(9) The measurement of net electricity supplied or generated shall be calculated in the following manner:

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

(b) If the electric utility supplies more electricity than the customer-generator feeds back to the system in a given billing period, the customer generator shall be billed for the net electricity that the electric utility

supplied, as measured in accordance with normal metering practices.

- (c) If the customer-generator accrues excess generation during a monthly billing period, the electric utility shall issue a monetary credit in the amount of the net excess generation onto the customer-generator's next monthly bill. If the full amount of the monetary credit is not used within the next monthly billing period, the remaining monetary credit shall be stored in the customer-generator's account and subsequently credited to the customer-generator in months where the monetary credit from the previous month is insufficient to cover the cost of the customer-generator's requirements for electricity. The electric utility shall issue a refund to the customer-generator for the amount of the monetary credit remaining in the account at the end of the May billing cycle, regardless of whether the customer-generator is receiving generation from the electric utility or a competitive retail electric service provider. This refund shall be calculated at the electric utility's standard service offer generation rate. The annual refund shall be issued to customer-generators by July 1.
- (10) In no event shall the electric utility impose on the customer-generator any charges that relate to the electricity the customer-generator feeds back to the system.
- (11) Customer-generators shall comply with the interconnection standards set forth in Chapter 4901:1-22 of the Administrative Code.
- (12) Renewable energy credits associated with a customer-generator's net metering facility shall be the property of the customer-generator, unless otherwise contracted through a separate transaction, independent of the net metering tariff or the customer-generator's net metering agreement with the electric utility.
- (13) The electric utility shall report net metering data to the commission consistent with Chapter 4901:1-25 of the Administrative Code, which shall include:
- (a) The total number and rated generation capacity of net metering systems in the electric utility's service territory, as well as the number and installed capacity of net metering systems for each technology type and customer class.
- (b) The number of net metering customers who have exported excess generation to the grid, and the number whose on-site generation does not exceed load during the reporting period.
- (c) The total number of new eligible net metering customers that began participating in the net metering tariff during the reporting period of June 1 to May 31.

- (d) The total number of eligible net metering customers that ceased to participate in the net metering tariff during the reporting period.
- (e) The estimated total net kilowatt hours supplied to customer-generators by the electric utility, as well as the estimated total kilowatt-hours received from customer-generators by the electric utility.
- (f) The total estimated kilowatt hours of energy produced by the customer-generators, if known.
- (g) The total number of customer-generators deemed by the electric utility to be excess-generators at the end of the reporting period.
- (h) The total dollar amount issued in refunds for net excess generation.
- (i) Any other data the commission deems necessary or appropriate.

(C) Hospital net metering.

- (1) Each electric utility shall develop a separate tariff providing for net metering for hospitals. Such tariff shall be made available to qualifying hospital customers upon request.
  - (a) As defined in section 3701.01 of the Revised Code, "hospital" includes public health centers and general, mental, chronic disease, and other types of hospitals, and related facilities, such as laboratories, outpatient departments, nurses' home facilities, extended care facilities, self-care units, and central service facilities operated in connection with hospitals, and also includes education and training facilities for health professions personnel operated as an integral part of a hospital, but does not include any hospital furnishing primarily domiciliary care.
  - (b) A qualifying hospital customer generator is one whose generating facilities are:
    - (i) Located on a customer-generator's premises.
    - (ii) Operated in parallel with the electric utility's transmission and distribution facilities.
- (2) Net metering arrangements shall be made available regardless of the date the hospital's generating facility was installed.
- (3) The tariff shall be based both upon the rate structure, rate components, and any charges to which the hospital would otherwise be assigned if the hospital were not taking service under this rule and upon the market value of the

customer-generated electricity at the time it is generated. For purposes of this rule, market value means the locational marginal price of energy determined by a regional transmission organization's operational market at the time the customer-generated electricity is generated.

- (4) For hospital customer-generators, net metering shall be accomplished using either two meters or a single meter with two registers that are capable of separately measuring the flow of electricity in both directions. One meter or register shall be capable of measuring the electricity generated by the hospital at the output of the generator or net of the hospital's load behind the meter at the time it is generated. If the hospital's existing electrical meter is not capable of separately measuring electricity the hospital generates at the time it is generated, the electric utility, upon written request from the hospital, shall install at the hospital's expense a meter that is capable of such measurement.
- (5) The tariff shall allow the hospital customer-generator to operate its electric generating facilities individually or collectively without any wattage limitation on size. The interconnection review process shall determine any needed distribution equipment upgrades to accommodate the hospital net metering facility, and these additional costs shall be borne by the hospital customer-generators.
- (6) The hospital customer-generator's net metering service shall be calculated as follows:

  - (a) All electricity flowing from the electric utility to the hospital shall be charged as it would have been if the hospital were not taking service under this rule.
  - (b) All electricity generated by the hospital and delivered to the electric utility rather than consumed on-site shall be measured and credited at the market value as of the time the hospital generated the electricity.
  - (c) Each monthly bill shall reflect the net of paragraphs(C)(6)(a) and (C)(6)(b) of this rule. If the resulting bill indicates a net credit dollar amount, the credit shall be netted against the hospital customer-generator's bill until the hospital requests in writing a refund that amounts to, but is no greater than, an annual true-up of accumulated credits over a twelve-month period.
- (7) No electric utility's tariff for net metering shall require hospital customer-generators to:

  - (a) Comply with any additional safety or performance standards beyond those established by rules in Chapter 4901:1-22 of the Administrative Code, and the National Electrical Code, the institute of electrical and

electronics engineers, and underwriters laboratories, in effect as set forth in rule 4901:1-22-03 of the Administrative Code.

(b) Perform or pay for additional tests beyond those required by paragraph (C)(7)(a) of this rule.

(c) Purchase additional liability insurance beyond that required by paragraph (C)(7)(a) of this rule.

(8) In no event shall the electric utility impose on the hospital customer-generator any charges that relate to the electricity the customer-generator feeds back to the system.

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Effective:

Five Year Review (FYR) Dates:

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Certification

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