

LOUISIANA NET METERING RULES

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DEFINITIONS

Billing period

The billing period for net metering will be the same as the billing period under the customer's applicable standard rate schedule.

Biomass

(A) Any organic matter that is available on a renewable or recurring basis (excluding old-growth timber), including dedicated energy crops and trees, agricultural food and feed crop residues, wood and wood wastes and residues, aquatic plants, grasses, residues, fibers, and animal wastes, municipal wastes, and other waste materials.

(B) Biomass shall not include:

1. Wood contaminated with plastic or metals; exceptions such as construction debris may be allowed by the Commission after a docketed proceeding and only after the applicant has obtained any and all additional approval from other state and/or federal regulatory agencies.
2. Recyclable post-consumer waste paper; exceptions may be allowed on a case by case basis by the Commission after a docketed proceeding and only after the applicant has obtained any and all additional approval from other state and/or federal regulatory agencies.

Biomass facility

A facility that may use one or more organic fuel sources that can either be processed into synthetic fuels or burned directly to produce steam or electricity, provided that the resources are renewable, environmentally sustainable in their production and use, and the process of conversion to electricity results in a net environmental benefit. This includes, but is not limited to, dedicated energy crops and trees, agricultural food and feed crops, agricultural crop wastes and residues, wood wastes and residues, aquatic plants, animal wastes, and other accepted organic, renewable waste materials.

Commercial customer

A customer served under a utility's standard rate schedule applicable to commercial service.

Commission

The Louisiana Public Service Commission.

Electric utility/LPSC Jurisdictional Electric Utility

A public utility or investor owned utility, an electric cooperative, or any private power supplier or marketer that is engages in the business of supplying electric energy to the ultimate customer or any customer class within the state.

Fuel cell facility

A facility that converts the chemical energy of a fuel directly to direct current electricity without intermediate combustion or thermal cycles.

Geothermal facility

An electric generating facility in which the prime mover is a steam turbine. The steam is generated in the earth by heat from the earth's magma.

Hydroelectric facility

An electric generating facility in which the kinetic energy is derived from moving water. The facility must meet all local, state, and Federal regulations that govern or effect the construction and operation of a hydroelectric power plant and must protect all users of the resource, including the plant, fish, and animal communities that utilize the water. Local, state, and Federal legal restrictions on the development of the hydroelectric site and the use of the water must be complied with.

Micro turbine facility

A facility that uses a small combustion turbine to produce electricity.

Net metering

Measuring the difference between electricity supplied by an electric utility and the electricity generated by a net metering customer and fed back to the electric utility over the applicable billing period.

Net metering facility

A facility for the production of electrical energy that:

- (A) Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity including, but not limited to, fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources; and,

- (B) Has a generating capacity of not more than twenty-five (25) kilowatts for residential or one hundred (100) for commercial or agricultural use; and,
- (C) Is located in Louisiana; and,
- (D) Can operate in parallel with an electric utility's existing transmission and distribution facilities; and,
- (E) Is intended primarily to offset part or all of the net-metering customer requirements for electricity.

Parallel operation

The operation of on-site generation by a customer while the customer is connected to the utility's distribution system.

Residential customer

A customer served under a utility's standard rate schedules applicable to residential service.

Solar facility

A facility in which electricity is generated through the collection, transfer and/or storage of the sun's heat or light.

Wind facility

A facility in which an electric generator is powered by a wind-driven turbine.

SECTION 1. GENERAL PROVISIONS

Rule 1.01. Purpose

The purpose of these Rules is to establish rules for net energy metering and interconnection.

Rule 1.02. Statutory Provisions

- A. The Commission exercises jurisdiction over motor carriers and public utilities pursuant to Article IV, Section 21(B) of the Louisiana Constitution.
- B. Legislative Act No. 653, Regular Session 2003.

Rule 1.03. Other Provisions

- A. These Rules apply to all electric utilities, as defined in these Rules, that are jurisdictional to the Commission.
- B. The Net Metering Rules are not intended to, and do not affect or replace any Commission approved general service regulation, policy, procedure, rule or service application of any utility which address items other than those covered in these Rules.
- C. Net metering customers taking service under the provisions of the Net Metering Tariff may not simultaneously take service under the provisions of any other alternative source generation or cogeneration tariffs except as provided herein.

SECTION 2. NET METERING REQUIREMENTS

Rule 2.01. Electric Utility Requirements

- A. An electric utility, subject to the jurisdiction of this Commission, that offers residential or commercial electrical service, or both, shall allow net metering facilities to be interconnected using a standard meter capable of registering the flow of electricity in two (2) directions.
- B. Notwithstanding the above, an additional meter or meters to monitor the flow of electricity in each direction may be installed, provided that it is not at the expense of the customer-generator unless requested by the customer-generator. A two-channel meter or other type meter(s) which is capable of determining the net energy can be utilized, as well.
- C. If an additional meter or meters are installed, as described in (B) above, the net energy metering calculation shall yield the same result as when a single meter is used.

Rule 2.02. Metering Requirements

- A. Metering equipment shall be installed to both accurately measure the electricity applied by the electric utility to each net-metering customer and also to accurately measure the electricity generated by each net-metering customer that is fed back to the electric utility over the applicable billing period. Notwithstanding the provisions of Section 3.01 below, the installation of the metering equipment provided pursuant to this section shall be at no cost to the net metering customer.
- B. Accuracy requirements for a meter operating in both forward and reverse registration modes shall be defined in Appendix C. A test to determine compliance with this accuracy requirement shall be made by the utility either before or at the time the net metering facility is placed in operation in accordance with these Rules. The test shall be provided at no cost to the net metering customer.

Rule 2.03. New or Additional Charges

- A. Any new or additional charge that would increase a net metering customer's costs beyond those of other customers in the rate class shall be filed by the electric utility with the Commission for approval. The filing shall be supported by cost/benefit analyses.
- B. Following notice and opportunity for public comment, the Commission may authorize an electric utility to assess a net metering customer a greater fee or charge, of any type, if the electric utility's direct costs of interconnection and administration of net-metering outweigh the distribution system, environmental

and public policy benefits of allocating the costs among the electric utility's entire customer base.

Rule 2.04. Billing for Net Metering

- A. On a monthly basis, the net metering customer shall be billed the charges applicable under the currently effective standard rate schedule and any appropriate rider schedules. Under net metering, only the kilowatt-hour (kWh) units of a customer's bill are affected.
- B. If the kWhs supplied by the electric utility exceeds the kWhs generated by the net metering facility and are fed back to the electric utility during the billing period, the net metering customer shall be billed for the net kWhs supplied by the electric utility in accordance with the rates and charges under the customer's standard rate schedule.
- C. Where the electricity generated by the net metering customer exceeds the electricity supplied by the electric utility, the net metering customer shall be credited during the next billing period for the excess kilowatt hours generated in accordance with this section. The utility shall credit the net metering customer for the excess generated electricity at a value that is at avoided cost.
- D. Upon exit from the net energy metering system, there shall be no payment or credit to a net metering customer for any remaining excess generation.
- E. All credits that the net metering customer does not use during the calendar year expire at the end of the calendar year.
- F. The utility may bill the net metering customer charges that otherwise would have accrued during a billing period in absence of the excess generated electricity.

Rule 2.05. Renewable Energy Credits

This section is not needed at this time due to the fact that there is no renewable portfolio standard requirement ("RPS") for LPSC jurisdictional electric utilities. The Commission may revisit this section if a RPS requirement is ultimately required or if a Renewable Energy Credit program is established.

SECTION 3. INTERCONNECTION OF NET METERING FACILITIES TO EXISTING ELECTRIC POWER SYSTEMS

3.01. Requirements for Initial Interconnection of Net Metering Facility

- A.** A net metering customer shall execute a Standard Interconnection Agreement for Net Metering Facilities (Appendix A) prior to interconnection with the utility's facilities.
- B.** A net metering facility shall be capable of operating in parallel and safety commencing the delivery of power into the utility system of a single point of interconnection. A net metering facility shall have a visibly open, lockable, manual disconnection switch which is accessible by the electric utility and clearly labeled.
- C.** The customer shall submit a Standard Interconnection Agreement to the electric utility at least thirty days (30) prior to the date of the customer intends to interconnect the net metering facilities to the utility's facilities. Part I, Standard information, Sections 1 through 4 of the Standard Interconnection Agreement must be completed for the notification to be valid. The customer shall have all equipment necessary to complete the interconnection prior to such notification. If mailed, the date of notification shall be the third day following the mailing of the Standard Interconnection agreement. The electric utility shall provide a copy of the Standard Interconnection Agreement to the customer upon request.
- D.** Following notification by the customer as specified in Rule 3.01.C, the utility shall review the plans of the facility and provide the results of its review to the customer within 30 calendar days. Any items that would prevent parallel operation due to violation of safety standards and/or power generation limits shall be explained along with a description of the modification necessary to remedy the violations.
- E.** The net metering facility, at the net metering customer's expense, shall meet all safety and performance standards established by local and national electric codes including the National Electric Code (NEC), the Institute of Electrical and Electronics Engineers (IEEE), the National Electrical Safety Code (NESC), and Underwriters Laboratories (UL).
- F.** The net metering facility, at the net metering customer's expense, shall meet all safety and performance standards adopted by the utility and filed with and approved by the Commission pursuant to these rules that are necessary to assure safe and reliable operation of the net metering facility to the utility's system.
- G.** If the utility's existing facilities are not adequate to the interconnect with the net metering facility, any changes will be performed in accordance with the Utility's Extension of Facilities Tariff.

Rule 3.02. Requirements for Modification or Changes to a Net Metering Facility

Modifications or changes made to a net metering facility shall be evaluated by the electric utility prior to being made. The net metering customer shall provide detailed information describing the modifications or changes to the electric utility in writing prior to making the modifications to the net metering facility. The utility shall review the proposed changes to the facility and provide the results to its evaluation to the customer within thirty (30) days of receipt of the customer's proposal. Any items that would prevent parallel operation due to violation of applicable safety standards and/or power generation limits shall be explained along with a description of the modifications necessary to remedy the violations.

SECTION 4. STANDARD INTERCONNECTION AGREEMENT AND STANDARD NET METERING TARIFF FOR NET METERING FACILITIES.

Rule 4.01. Standard Interconnection Agreement and Standard Net Metering Tariff.

Each electric utility shall file, for approval by the Commission, a Standard Interconnection Agreement for Net Metering Facilities (Appendix A), and a Net Metering Tariff in standard tariff format (Appendix B).

Rule 4.02. Filing and Reporting Requirements.

Each electric utility shall file a report listing all existing net metering facilities and the generator rating and, where applicable, the inverter power rating of each net metering facility as of the end of the previous calendar year. When the filing is made, the title of the filing shall reference this docket number, R-27558.