

Bill Number and Title	LB 683, Change provisions relating to net metering
Bill Issue	Net Metering
Introduced by/Hearing Date	Justin Wayne

LB 683

BACKGROUND

Net metering is a process by which customers with renewable generation facilities are able to generate energy for personal use to meet or off-set their own energy demand. The energy generated in a billing cycle is netted against the energy demand. This allows the customer-generator to use the utility as their “back-up,” or battery when they need more energy than they are generating and when they are not using energy they can deliver their excess generation onto the distribution system. Customer-generators are subsidized by other customers when they use the distribution system for free to deliver their excess generation onto the grid.

In 2009, the Unicameral passed Nebraska's net metering law. The law establishes a 25 kW threshold on generation, but does not prohibit utilities from interconnecting and net metering larger systems at their discretion. The law requires the generator to pay interconnection costs, assigns a monetary value for excess generation at the value of the energy when generated, and sets a system-wide cap on net metered generation at one percent of the utility's average monthly peak demand. In 2016, the NREA established a Net Metering Task Force which developed a model Distributed Generation Application, a Small Generation Interconnection Agreement, and a Net Metering Policy which NREA members can uniformly implement.

SUMMARY/WRITING BULLET POINTS

- LB 683 would declare that Nebraska’s electric consumers have a right to self-generate.
- LB 683 would allow the utility to charge consumers a fixed net metering fee not to exceed the costs of calculating their net metering bill plus ten percent. The measure would prohibit a utility from charging any other fee including a standby, capacity demand, interconnection, or other fee/charge, including a minimum monthly fee.
- LB 683 would allow customer generators to generate electricity using any form of generation.
- LB 683 would maintain legislative language stating it is the intent of net metering to offset a customer’s personal use, but the bill would remove the current 25 kW threshold and would allow generation up to 110 percent of the customers annual usage.

The intent of Nebraska's net metering law is to provide a means for interested individuals to generate electricity for their own personal use. Removing the size limitations in current statute allows personal generation to move well beyond what most typical residential customers need for individual use and moves towards commercial generation.
- LB 683 would require a customer-generator to install an accessible external disconnect switch at their own cost.
- LB 683 would require each utility to designate one employee as the contact person for net metering questions and would require each utility to adopt standards for the interconnection of a net metering project up to 5 MW in size.
- LB 683 would remove the prohibition in statute barring utilities from requiring additional liability insurance and provides a structure for insuring large projects.

POSITION:

THE NREA OPPOSES, THE NPA OPPOSES