

2006 Bill 219

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Second Session, 26th Legislature, 55 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 219**

**ELECTRIC UTILITIES (NET METERING)  
AMENDMENT ACT, 2006**

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MR. EGGEN

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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## BILL 219

2006

### ELECTRIC UTILITIES (NET METERING) AMENDMENT ACT, 2006

(Assented to \_\_\_\_\_, 2006)

#### Preamble

WHEREAS it is in the best interests of present and future generations of Albertans to encourage the use of renewable sources of energy;

WHEREAS the introduction of net metering into Alberta's electricity market will increase the use of renewable energy sources such as solar panels and micro-wind turbines; and

WHEREAS net metering will enhance the opportunities to contribute to electricity production thereby reducing the strain on the overall system and minimizing the need to expand the existing distribution infrastructure;

THEREFORE HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

#### Amends SA 2003 cE-5.1

**1 The *Electric Utilities Act* is amended by this Act.**

#### **2 Section 1 is amended**

**(a) by adding the following after clause (r):**

(r.1) "eligible generator" means a generator of electricity who

- (i) generates electricity primarily for the generator's own use;

- (ii) generates electricity from a renewable energy source such as wind, a drop in water elevation, solar radiation or an agricultural bio-mass resource, or from any combination of them;
- (iii) uses equipment to generate electricity that has an output capacity no greater than 500 kilowatts; and
- (iv) conveys the electricity generated from the point of generation to another point for the generator's own use without reliance on an owner's electric distribution system;

**(b) by adding the following after clause (ii):**

- (ii.1) "net metering" means subtracting the amount of electricity conveyed into an electric distribution system by an eligible generator from the amount consumed from the system by that generator for billing purposes;

**3 Section 105(1) is amended by adding the following after clause (e):**

- (e.1) to provide net metering to eligible generators;

**4 Section 108 is amended**

**(a) by adding the following after clause (f):**

(f.1) respecting the terms and conditions governing net metering;

**(b) in clause (o) by adding “, agricultural bio-mass resource” after “affiliated retailer”.**



**5 This Act comes into force on July 1, 2007.**

## **Explanatory Notes**

**1** Amends chapter 5.1 of the Statutes of Alberta 2003.

**2** Definitions added.

**3** Section 105 presently reads:

*105(1) The owner of an electric distribution system has the following duties:*

- (a) to provide distribution access service that is not unduly discriminatory;*
- (b) to make decisions about building, upgrading and improving the electric distribution system for the purpose of providing safe, reliable and economic delivery of electric energy having regard to managing losses of electric energy to customers in the service area served by the electric distribution system;*
- (c) to operate and maintain the electric distribution system in a safe and reliable manner;*
- (d) if a transmission facility serves only one service area, to arrange for the provision of system access service to customers in that service area, other than customers referred to in section 101(2);*
- (e) to install and remove meters and perform metering, including verifying meter readings and verifying accuracy of meters;*
- (f) to maintain information systems relating to the consumption of electricity by customers;*
- (g) to provide to a retailer or the owner's regulated rate provider sufficient, accurate and timely information about the retailer's*



*or the regulated rate provider's customers, including metering information about the electricity consumed by those customers in order to enable the retailer or regulated rate provider to bill and to respond to inquiries and complaints from customers concerning billing for electricity services;*

- (h) to undertake financial settlement with the Independent System Operator for system access service;*
- (i) to act as a regulated rate provider to eligible customers who pay a regulated rate for electricity;*
- (j) to appoint or act as a default supplier, in accordance with the regulations, for eligible customers;*
- (k) to connect and disconnect customers and distributed generation in accordance with the owner's approved tariff and with principles established by the Board regarding distributed generation;*
- (l) to carry out distribution tariff billing for distribution access service under a distribution tariff;*
- (m) to respond to inquiries and complaints from customers respecting distribution access service.*

*(2) Each owner of an electric distribution system must, in accordance with the regulations made by the Minister under section 108, maintain the records and provide the records to the persons specified in the regulations.*

**4** Section 108 presently reads:

*108 The Minister may make regulations*

- (a) respecting the planning and expansion of electric distribution systems;*
- (b) adding to, clarifying, limiting or restricting any of the duties or functions of the owner of an electric distribution system and the manner in which the duties or functions are to be carried out;*
- (c) respecting the responsibilities of an owner of an electric distribution system*
  - (i) to maintain records, the matters in respect of which a record must be maintained and the persons to whom the information must or may be provided;*
  - (ii) to develop and offer non-discriminatory distribution tariffs;*
  - (iii) to carry out billing;*

- (iv) *to perform metering and to maintain information systems, including frequency of meter reading cycles, use of automated meter reading software and equipment, and access to meter data for retailers, the owner's regulated rate provider or customers;*
- (d) *enabling persons other than owners of electric distribution systems to maintain information systems;*
- (e) *respecting the matters that must be included in agreements or arrangements between owners of electric distribution systems and retailers, or the terms and conditions that must be included, or both, including:*
  - (i) *the performance security the owners may require retailers to provide;*
  - (ii) *the exchange of information required between owners and retailers;*
  - (iii) *matters related to billing and the maintenance of information systems;*
- (f) *respecting the terms and conditions that must be included or form part of any agreement or arrangement between*
  - (i) *owners of electric distribution systems and customers, and*
  - (ii) *owners and retailers or regulated rate providers;*
- (g) *establishing a code of conduct governing the relationship between*
  - (i) *an owner of an electric distribution system and its regulated rate provider,*
  - (ii) *an owner and its affiliated retailers, or*
  - (iii) *the owner's regulated rate provider and an affiliated retailer,*

*or any aspect of the activities of the parties in the relationship;*
- (h) *respecting the agreements or arrangements between owners of electric distribution systems and eligible customers who pay a regulated rate;*
- (i) *respecting regulated rate tariffs;*
- (j) *exempting a regulated rate provider from ISO rules that require providing financial security in respect of electric energy*

*acquired by the regulated rate provider to meet its obligations under the regulated rate tariff;*

- (k) replacing a regulated rate tariff with a default supply option;*
- (l) respecting the circumstances under which a person becomes a default supplier, the manner in which that occurs and the rights and obligations of default suppliers;*
- (m) respecting the rights and obligations of customers;*
- (n) respecting the accuracy of billing by regulated rate providers;*
- (o) defining “eligible customers”, “rate classification customers”, “affiliated retailer” and “default supplier”.*

**5** Coming into force.