## LEGISLATURE OF NEBRASKA ONE HUNDRED FIFTH LEGISLATURE

FIRST SESSION

## **LEGISLATIVE BILL 626**

Introduced by Larson, 40.

Read first time January 18, 2017

Committee: Natural Resources

- 1 A BILL FOR AN ACT relating to energy; to adopt the Shared Community Solar
- 2 Act.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. This act shall be known and may be cited as the Shared

- 2 <u>Community Solar Act.</u>
- 3 Sec. 2. <u>The Legislature finds:</u>
- 4 (1) It is in the public interest that the state enable the
- 5 <u>development and deployment of energy generation from shared community</u>
- 6 solar energy generating systems; and
- 7 (2) Shared community solar energy generating systems (a) provide
- 8 <u>residents with increased access to local solar energy while encouraging</u>
- 9 investment in solar resources, (b) enhance continued diversification of
- 10 the state's energy resource mix, and (c) provide local distribution
- 11 <u>utilities and ratepayers with the opportunity to realize the many</u>
- 12 <u>benefits associated with distributed energy.</u>
- 13 Sec. 3. <u>For purposes of the Shared Community Solar Act:</u>
- 14 (1) Customer-generator means an end-use electricity customer that
- 15 generates electricity on the customer's side of the meter from a
- 16 qualified facility that:
- 17 <u>(a) Has contributed to a shared community solar energy generating</u>
- 18 system; and
- 19 (b) Participates in a group of customer-generators that owns or
- 20 <u>operates a shared community solar energy generating system;</u>
- 21 (2) Program means a shared community solar energy generating system
- 22 pilot program established pursuant to section 4 of this act;
- 23 (3) Shared community solar energy generating system means a solar
- 24 energy generating system that:
- 25 (a) Is connected to the electric distribution grid serving the
- 26 state;
- 27 <u>(b) Is located in the same electric service territory as its</u>
- 28 <u>customer-generators;</u>
- 29 <u>(c) Is attached to the electric meter of a customer-generator or is</u>
- 30 <u>a separate facility with its own electric meter;</u>
- 31 (d) Credits its generated electricity or the value thereof to the

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1 bills of the customer-generators to that system through virtual net

- 2 energy metering;
- 3 (e) Has at least two customer-generators;
- 4 (f) Has a generating capacity that does not exceed XX kilowatts as
- 5 measured by the alternating current rating of the system's inverter; and
- 6 (g) May be owned by any person; and
- 7 (4) Virtual net energy metering means measurement of the difference
- 8 between the kilowatt-hours or value of electricity that is supplied by a
- 9 local distribution utility and the kilowatt-hours or value of electricity
- 10 attributable to a shared community solar energy generating system and fed
- 11 <u>back to the electric grid.</u>
- 12 Sec. 4. (1) A local distribution utility shall establish a shared
- 13 community solar energy generating system pilot program upon receipt of a
- 14 <u>request by a qualified organization of customer-generators. All rate</u>
- 15 classes may participate in the program. The program shall provide credits
- 16 for the electricity produced by the projects described in this section.
- 17 The credits shall be equal to the customer-generator's portion of the
- 18 project's production.
- 19 <u>(2) An organization of customer-generators may request a local</u>
- 20 <u>distribution utility to establish a shared community solar energy</u>
- 21 generating system, to adopt regulations to establish a program, and to
- 22 coordinate the interconnection and commencement of operations of the
- 23 shared community solar energy generating system.
- 24 (3) The local distribution utility shall limit the program in a way
- 25 that allows the local distribution utility to conduct a meaningful study
- 26 of the program and its results. Such limitations may include, but need
- 27 <u>not be limited to (a) the appropriate number of shared community solar</u>
- 28 energy generating systems to be included in the program and (b) the
- 29 appropriate amount of generating capacity of the shared community solar
- 30 energy generating systems participating in the program.
- 31 (4) An organization of customer-generators participating in a

1 program may contract with a third party to finance, build, own, or

- 2 <u>operate a shared community solar energy generating system.</u>
- 3 (5) For purposes of the Shared Community Solar Act, a shared
- 4 <u>community solar energy generating system, including the organization of</u>
- 5 <u>customer-generators associated with the shared community solar energy</u>
- 6 generating system, is not a generation or distribution utility.