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BILL NO.: House Bill 1112
Electricity - Net Energy Metering - Generation Credits

COMMITTEE: Economic Matters Committee

HEARING DATE: March 10, 2022

SPONSOR: Delegate Brooks

POSITION: Informational

House Bill 1112 would amend the net metering statute to define “generation credit” to be “the amount of net excess generation converted into a dollar amount in accordance with this section” and require that this credit be paid to net metering customers on a monthly basis.

HB 1112 would enable net metering customers who are participating in the community solar pilot program to receive an immediate payment for the value of the electricity they purchase from the community solar project that exceeds what they use in a month.

At the same time, the amendment would reduce the value of the electricity that net metering customers with solar panels on their roof receive when their solar panels’ generation exceeds the customer’s usage.

Under current law, any excess generation is carried over to the next month as a kwh credit. If the rooftop solar customer uses more electricity than produced the following month, the carried-over kwh credits offset that excess usage at full retail electricity rate—about 13 cents per kwh at current rates. The credits are converted to a monetary value and paid to the customer in April of each year.

Under HB 1112, “generation credits” are converted to a monetary credit on a monthly basis, and any credits for excess generation are paid at the customer’s commodity rate—about 8 cents per kwh at current rates. For the rooftop solar customers, the bill would provide customers with the value of their excess generation sooner than under current law, but at a lower value.