

OFFICIAL CODE OF GEORGIA
TITLE 46. PUBLIC UTILITIES AND PUBLIC TRANSPORTATION
CHAPTER 3. ELECTRICAL SERVICE
ARTICLE 1. GENERATION AND DISTRIBUTION OF ELECTRICITY GENERALLY
PART 3. SALE OF ELECTRICITY BY FACILITY GENERATING ELECTRICITY,
STEAM, OR OTHER FORMS OF ENERGY FOR ITS OWN CONSUMPTION
O.C.G.A. § 46-3-50

§ 46-3-50. Short title

This part shall be known and may be cited as "The Georgia Cogeneration and Distributed Generation Act of 2001."

§ 46-3-51. Legislative determinations and declarations

(a) The legislature finds that it is in the public interest to:

- (1) Encourage private investment in renewable energy resources;
- (2) Stimulate the economic growth of Georgia; and
- (3) Enhance the continued diversification of the energy resources used in Georgia.

(b) The General Assembly further finds and declares that a program to provide distributed generation for eligible cogenerators is a way to encourage private investment in renewable energy resources, stimulate in-state economic growth, enhance the continued diversification of this state's energy resource mix, and reduce interconnection and administrative costs.

§ 46-3-52. Jurisdiction of commission over cogeneration facility the energy from which is used solely by operator

As used in this part, the term:

(1) "Bidirectional metering" means measuring the amount of electricity supplied by an electric service provider and the amount fed back to the electric service provider by the customer's distributed generation facility using the same meter.

(2) "Cogeneration facility" means a facility, other than a distributed generation facility, which produces electric energy, steam, or other forms of useful energy (such as heat) which are used for industrial, commercial, heating, or cooling purposes.

(3) "Commission" means the Georgia Public Service Commission.

(4) "Customer generator" means the owner and operator of a distributed generation facility.

(5) "Distributed generation facility" means a facility owned and operated by a customer of the

electric service provider for the production of electrical energy that:

- (A) Uses a solar Photovoltaic system, fuel cell, or wind turbine;
- (B) Has a peak generating capacity of not more than 10kw for a residential application and 100kw for a commercial application;
- (C) Is located on the customer's premises;
- (D) Operates in parallel with the electric service provider's distribution facilities;
- (E) Connected to the electric service provider's distribution system on either side of the electric service provider's meter; and
- (F) Is intended primarily to offset part or all of the customer generator's requirements for electricity.

(6) "Electric membership corporation" means a corporation organized under Article 2 of this chapter.

(7) "Electric service provider" means any electric utility, electric membership corporation, or municipal electric utility that is engaged in the business of distributing electricity to retail electric customers in the state.

(8) "Electric supplier" means any electric utility, electric membership corporation furnishing wholesale service, any municipal electric utility or any other person which furnishes wholesale service to any municipality, and the Tennessee Valley Authority.

(9) "Electric utility" means any retail supplier of electricity whose rates are fixed by the commission.

(10) "Municipal electric utility" means a city or town that owns or operates an electric utility.

(11) "Person" means a natural person, corporation, trust, partnership, incorporated or unincorporated association, or any other legal entity.

(12) "Renewable energy sources" means energy supplied from technologies as approved in the Georgia Green Pricing Accreditation Program.

§ 46-3-53. Jurisdiction of commission over cogeneration facilities

(a) Any person may operate a cogeneration facility without being subject to the jurisdiction or regulation of the commission if such person uses all of the electric energy, steam, or other form of useful energy produced at such cogeneration facility. The electric energy shall not be sold to any other person except as provided in subsection (b) of this Code section.

(b) Any person may operate a cogeneration facility and sell any excess electric energy to an electric supplier without being subject to the jurisdiction or regulation of the commission;

provided, however, that nothing in this article shall except a person from compliance with federal law.

§ 46-3-54. Electric service providers; rates and fees

An electric service provider:

(1) Shall make either bidirectional metering or single directional metering available to customer generators depending on how the distributed generation facility is connected to the distribution system of the electric service provider;

(2) Shall enter into a written agreement with the customer generator to charge the customer generator the rate established by the commission, or the appropriate governing body, in the case of any other electric service provider or electric supplier, for metering services;

(3) In setting the fees for metering service, the commission, or the appropriate governing body, in the case of any other electric service provider or electric supplier, will include the direct costs associated with interconnecting or administering metering services or distributed generation facilities and will not allocate these costs among the utility's entire customer base; and

(4) In establishing such a fee for metering services, the electric service provider shall not charge the customer generator any standby, capacity, interconnection, or other fee or charge, other than a monthly service charge, unless agreed to by the customer generator or approved by the commission, in the case of an electric utility, or the appropriate governing body, in the case of any other electric service provider or electric supplier.

§ 46-3-55. Measurement and payment of energy flow

Consistent with the other provisions of this chapter, the energy flow shall be measured and paid for in the following manner:

(1) If the distributed generation facilities are connected to the electric service provider's distribution system on the customer generator's side of the customer's meter, the electric service provider shall:

(A) Measure the electricity produced or consumed during the billing period, in accordance with normal metering practices using bidirectional metering;

(B) When the electricity supplied by the electric service provider exceeds the electricity generated by the customer's distributed generation, the electricity shall be billed by the electric service provider, in accordance with tariffs filed with the commission; or

(C) When electricity generated by the customer's distributed generation system exceeds the electricity supplied by the electric service provider, the customer generator:

(i) Shall be billed for the appropriate customer charges for that billing period; and

(ii) Shall be credited for the excess kilowatt-hours generated during the billing period at an agreed to rate as filed with the commission, with this kilowatt-hour credit appearing on the bill for the billing period; or

(2) If the distributed generation facilities are connected to the electric service provider's distribution system on the electric service provider's side of the customer's meter, the electric service provider shall:

(A) Measure the electricity produced or consumed during the billing period, in accordance with normal metering practices using single directional metering;

(B) Charge the customer generator a minimum monthly fee as established in Code Section 46-3-54; and

(C) If there is electricity generated by the customer generator for the billing period, the customer generator shall be compensated at an agreed to rate as filed with the commission.

§ 46-3-56. Requirement to purchase energy from customer generator; safety standards and regulations

(a) An electric service provider will only be required to purchase energy as specified in Code Section 46-3-55 from an eligible customer generator on a first-come, first-served basis until the cumulative generating capacity of all renewable energy sources equals 0.2 percent of the utility's annual peak demand in the previous year; provided, however, that no electric service provider will be required to purchase such energy at a price above avoided energy cost unless that amount of energy has been subscribed under any renewable energy program.

(b) Once the capacity is subscribed, an electric service provider may purchase energy from an eligible customer generator at a cost of energy as defined for a utility by the commission, in the case of an electric utility, or by the appropriate governing body, in the case of any other electric service provider or electric supplier.

(c) A distributed generation facility used by a customer generator shall include, at the customer's own expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements established by the National Electrical Code, National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

(d) The commission, in the case of an electric utility, or the appropriate governing body, in the case of other electric service providers or electric suppliers, after appropriate notice and opportunity for comment, may adopt by regulation additional safety, power quality, and interconnection requirements for customer generator that the commission or governing body determines are necessary to protect public safety and system reliability.

(e) An electric service provider may not require a customer generator whose distributed generation facility meets the standards in subsections (a) and (b) of this Code section, to comply with additional safety or performance standards, perform or pay for additional tests, or purchase additional liability insurance.

(f) No electric service provider or electric supplier shall be liable to any person, directly or indirectly, for loss of property, injury, or death resulting from the interconnection of a cogenerator or distributed generation facility to its electrical system.