

Staff Strawman & Working Draft
PART 3: DISTRIBUTED GENERATION PROGRAM STANDARDS

Below are DTE Electric's suggested changes and comments on MPSC Staff's second strawman proposal of distributed generation / legacy net metering rules. DTE Electric's comments are supplied in text boxes in the margin (the redline changes were included by MPSC Staff in its second strawman proposal). In order to encourage all parties to engage in thoughtful and constructive dialogue during the stakeholder process, it should be made clear that a) stakeholder meetings will be treated like settlement conferences under MRE 408 and no statement or writings of a participant may be used as evidence in current or future legal proceedings; b) DTE Electric by its participation does not waive its right to challenge any provisions or take any positions in this proceeding or in future proceedings regarding these rules. The Company reserves its right to modify or expand its position on this subject matter in the future and/or in response to positions taken by other stakeholders in this process; the Company's positions may evolve as this process continues. The Company appreciates the opportunity to take part in this process, and looks forward to working with MPSC Staff and other stakeholders in this process.

Case No. U-20344 Stakeholder Process Comments
PART 3 of Licensing and Regulatory Affairs
Public Service Commission
Interconnection, Distributed Generation, & Legally Enforceable Obligation Standards

PART 3. DISTRIBUTED GENERATION PROGRAM STANDARDS

Definitions needed for definition section:

"Alternative electric supplier" means that term as defined in section 10g of 2000 PA 141, MCL 460.10g.

"Alternative electric supplier ~~interim distributed generation~~legacy net metering program plan" means a document supplied by an alternative electric supplier that provides detailed information to an applicant about the alternative electric supplier's ~~interim distributed generation~~legacy net metering program.

"Alternative electric supplier distributed generation program plan" means a document supplied by an alternative electric supplier that provides detailed information to an applicant about the alternative electric supplier's distributed generation ~~program~~.

"Customer" means a person who receives electric service from an electric provider's distribution system or a person who participates in an ~~interim distributed generation~~legacy net metering or distributed generation program through an alternative electric supplier or electric provider.

"Distributed generation program" means ~~---~~the distributed generation program approved by the Commission and included in an electric provider's tariff pursuant to Section 6a(14) of 1939 PA3, or established in an alternative electric supplier distributed generation program plan

Commented [MC(1)]: These will be added to the main definitions list and removed from this section.

Commented [DTE2R1]: The Company notes that all definitions that are adopted in the rulemaking process, whether through this stakeholder group or others, need to be known before parties can provide a full analysis and comment on the definitions.

Commented [DTE3]: Recommend inserting definition for "Certified Equipment" meaning components that have passed UL 1741SA testing for inverters and interconnection devices. For other equipment involved that it be "UL Listed" for its equipment category.

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"Electric provider" means any person or entity whose rates are regulated by the commission for selling electricity to retail customers in this state.

"Eligible electric generator" means a methane digester or renewable energy system with a generation capacity limited to the customer's electric need and that does not exceed the following:

- (i) 150 kW of aggregate generation at a single site for a renewable energy system.
- (ii) 550 kW of aggregate generation at a single site for a methane digester.

"Full retail rate" means the power supply and distribution components of the cost of electric service. Full retail rate does not include a system access charge, service charge, or other charge that is assessed on a per meter basis.

~~"Interim distributed generation program Legacy net metering" means the true net metering or modified net metering programs in place prior to Commission approval of a distributed generation program tariff pursuant to Section 6a(14) of 1939 PA 3 and prior to the establishment of an alternative electric supplier distributed generation plan.~~

~~"Material modification" means a modification that changes the maximum electrical output of a project or changes the interconnection equipment, including either of the following:~~

- ~~(i) Changing from certified to noncertified equipment.~~
- ~~(ii) Replacing a component with a component of different functionality or UL listing.~~

"Methane digester" means a renewable energy system that uses animal or agricultural waste for the production of fuel gas that can be burned for the generation of electricity or steam.

"Modified net metering" means an utility electric provider billing method that applies the power supply component of the full retail rate to the net of the bidirectional flow of kWh across the customer interconnection with the utility electric provider distribution system during a billing period or time-of-use pricing period.

"Renewable energy credit" means a credit granted pursuant to the commission's renewable energy credit certification and tracking program in section 41 of 2008 PA 295, MCL 460.1041.

"Renewable energy resource" means that term as defined in section 11(i) of 2008 PA 295, MCL 460.1011(i).

"Renewable energy system" means that term as defined in section 11(k) of 2008 PA 295, MCL 460.1011(k).

"True net metering" means an utility electric provider billing method that applies the full retail

Commented [DTE4]: Recommend inserting definition for "Inspected" meaning that a local permit covering the system and all of its components has been issued by the local governing agency and that the inspection for that installation has been completed successfully.

Commented [DTE5]: The Company feels this definition continues to be needed (and notes that Staff's strawman at R460.640(7)(c) continues to refer to material modification as well.)

The Company continues to support its proposed definition for material modification it included in previous comments, included below;

"Material modification" means a modification that changes the maximum electrical output of a project or changes the interconnection equipment, including any of the following:

- (i) Changing from certified to noncertified equipment.*
- (ii) Replacing a component with a component of different functionality or UL listing.*
- (iii) Modifying the AC or DC rating of the generation*
- (iv) Changing the interconnection location*

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rate to the net of the bidirectional flow of kW hours across the customer interconnection with the ~~utility~~electric provider distribution system, during a billing period or time-of-use pricing period.

R 460.640 Application process.

Rule 40. (1) Each electric provider shall file initial distributed generation program tariff sheets in the first rate case filed after June 1, 2018.

(2) Each alternative electric supplier shall file an alternative electric supplier distributed generation plan within 90 days of the effective date of these rules.

(3) Using report formats to be determined by the Commission, each electric provider and alternative electric supplier shall annually file an ~~interim distributed generation~~legacy net metering program report and, if applicable, a distributed generation program report not later than March 31 of each year.

(4) Each electric provider and alternative electric supplier shall maintain records of all applications and up-to-date records of all eligible electric generators participating in the ~~interim distributed generation~~legacy net metering program and distributed generation program.

(5) Selection of customers for participation in the ~~interim distributed generation~~legacy net metering program or distributed generation program shall be based on the order in which the applications are received.

(6) An electric provider or alternative electric supplier shall not refuse to provide or discontinue electric service to a customer solely for the reason that the customer participates in the ~~interim distributed generation~~legacy net metering program or distributed generation program.

(7) The ~~interim distributed generation~~legacy net metering program and distributed generation program provided by electric providers and alternative electric suppliers shall limit each applicant to generation capacity designed to meet up to 100% of the customer's electricity consumption for the previous 12 months.

(a) The generation capacity shall be determined by an estimate of the expected annual kWh output of the generator(s) determined in a manner approved by the Commission and specified on the electric provider's ~~interim distributed generation~~legacy net metering program or distributed generation program tariff sheet or in the alternative electric supplier's ~~interim distributed generation~~legacy net metering program or distributed generation program plan.

(b) ~~At the customer's option,~~†The customer's electric consumption shall be determined by one (1) of the following methods:

(i) The customer's annual energy consumption, measured in kWh, during the previous 12-month period.

(ii) In cases where there is no data, incomplete data, or incorrect data for the customer's energy consumption or the customer is making changes on-site that will affect total consumption, the electric provider or alternative electric supplier and the customer shall mutually agree on a method to determine the customer's electric consumption.

(c) Any net metering or distributed generation customer using electric storage equipment in conjunction with an eligible electric generator must not design or operate the electric storage equipment in a manner that results in the customer's electrical output exceeding 100% of the customer's electricity consumption for the previous 12 months. Any addition of energy storage technology to an existing approved legacy net metering program system or distributed generation

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~~program system is considered a material modification as defined in these rules. For customers on the legacy net metering program the addition of energy storage does not impact the 10-year grandfathering period if the energy storage is configured only for internal use in a manner which does not supply or store energy to or from the distribution system.~~

~~Any interim distributed generation program or distributed generation program customer using an energy storage technology in conjunction with a renewable energy resource, as that term is defined in section 11(g) of 2008 PA 295, MCL 460.1011(g), must not design or operate the storage technology in a manner that results in the customer's electrical output exceeding 100% of the customer's electricity consumption for the previous twelve (12) months. Energy storage technologies that are independently interconnected and that do not operate in conjunction with a renewable energy resource are not eligible for participation in the interim distributed generation program or distributed generation program. Further, addition of energy storage technology to an existing approved interim distributed generation program system or distributed generation program system is considered a material modification as defined in these rules.~~

R 460.642 ~~Interim distributed generation~~Legacy net metering program application and fees.

Rule 42. (1) An electric provider or alternative electric supplier may use an online ~~interim distributed generation~~legacy net metering program application process. For electric providers and alternative electric suppliers not using an online application process, a uniform ~~interim distributed generation~~legacy net metering program application form shall be utilized which shall be approved by the Commission.

(2) ~~Interim distributed generation~~Legacy net metering program application processing for electric providers shall be conducted in the following manner:

(a) An applicant applying for the ~~interim distributed generation~~legacy net metering program shall at the same time apply for an electric provider interconnection or shall indicate on the ~~interim distributed generation~~legacy net metering program application that the applicant has applied for interconnection with the electric provider.

(b) If an applicant has an executed interconnection agreement at the time of filing the ~~interim distributed generation~~legacy net metering program application, the electric provider shall have ten (10) ~~working days~~business days to complete its review of the ~~interim distributed generation~~legacy net metering program application. All other ~~interim distributed generation~~legacy net metering program applications shall be processed within ten (10) days after the applicant's interconnection agreement is executed.

(c) As part of the review, the electric provider shall determine whether the appropriate meter(s) is installed for the ~~interim distributed generation~~legacy net metering program.

(d) After completing the review, the electric provider shall notify the customer whether the ~~interim distributed generation~~legacy net metering program application is approved or disapproved.

(e) If an applicant approved for the ~~interim distributed generation~~legacy net metering program requires new or additional meters, the electric provider shall make arrangements with the customer to install the meters at a mutually agreed upon time.

Commented [DTE6]: In general, the Company notes adding provisions addressing emerging technologies in administrative rules needs to be done with extreme caution. Given the inherent potential for change regarding emerging technologies, addressing specifics in administrative rules is difficult, in that the administrative rules will presumably remain fixed for a long period of time. Such provisions may better be addressed through other venues, such as utility tariff books, which can be more readily updated.

Commented [DTE7]: Notwithstanding the above comment, should Staff pursue including rules addressing battery storage:

Should specify customers with storage systems which are participating in wholesale power markets outside of MPSC jurisdiction should not be eligible for either the legacy net metering or distributed generation programs.

This provision should read as follows: "Any addition of energy storage technology to an existing or approved legacy net metering program system or distributed generation program system is considered a material modification as defined in these rules. Any legacy net metering or distributed generation program customer with installed battery storage shall be responsible to configure the customer's system to prevent discharge from the battery to a utility's distribution system."

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(f) Within ten (10) ~~business~~working days after the necessary meters are installed, the electric provider shall complete changes to the applicant's account to permit ~~interim distributed generation~~legacy net metering program credit to be applied to the account.

(g) The applicant has thirty (30) business days to respond to any additional follow-up necessary to complete application. Failure to respond within thirty (30) business days will result in the application being deemed withdrawn without refund of the application fee.

(3) ~~Interim distributed generation~~Legacy net metering program application processing for alternative electric suppliers shall be conducted in the following manner:

(a) A customer receiving retail electric service from an alternative electric supplier shall submit the completed ~~interim distributed generation~~legacy net metering program application form to the alternative electric supplier and a copy of the form to the electric provider that provides distribution services.

(b) Within the time periods in subrule (2) of this rule, the electric provider shall determine whether the appropriate meter(s) is installed for the ~~interim distributed generation~~legacy net metering program and, if necessary, contact the customer to arrange for meter installation.

(c) The electric provider shall notify the alternative electric supplier when the interconnection agreement for the eligible generator is executed and installation of the appropriate meter(s) is completed.

(d) Within ten (10) ~~working days~~business days of notification, the alternative electric supplier shall complete changes to the applicant's account to permit ~~interim distributed generation~~legacy net metering program credit to be applied to the account.

(4) If an ~~interim distributed generation~~legacy net metering program application is not approved, the electric provider or alternative electric supplier shall notify the customer of the reasons. The customer shall have thirty (30) days to cure the deficiency within the ~~interim distributed generation~~legacy net metering program application. The application will be deemed withdrawn without refund of the application fees if not cured within the time frame above.

(5) ~~If a customer's application for the legacy net metering program is deemed complete the customer shall have a completed and approved installation within 6 months from the date the customer's application is deemed complete, or else the electric provider may terminate the application without refund and shall have no further responsibility with respect to the application.~~

(6) ~~Customers participating in an interim distributed generation legacy net metering program approved by the Commission before the Commission establishes a tariff pursuant to section 6a(14) of 1939 PA 3, MCL 460.6a, may elect to continue to receive service under the terms and conditions of that program for up to ten (10) years from the date of enrollment. Customers whom have reached ten (10) years of enrollment may continue on the legacy net metering program until or when a utility electric provider has a Commission approved tariff, whichever occurs later.~~

(7) ~~The interim distributed generation legacy net metering program application fee for electric providers and alternative electric suppliers shall not exceed \$5025. The fee shall be specified on the electric~~

~~provider's interim distributed generation legacy net metering tariff sheet or in the alternative electric supplier's interim distributed generation legacy net metering program plan. The combined total of interim distributed generation program application fees and interconnection application review fees shall not exceed \$100.~~

R 460.643 Distributed generation program application and fees.

Commented [DTE8]: Rules should specify that customers have 30 days to cure the deficiency from the date the utility originally informs the customer of the deficiency.

Commented [DTE9]: Appears this should refer to "a Commission approved *distributed generation program tariff*."

Commented [BJ(10): Stakeholder input needed on whether to update to the new law or previous net metering terms and conditions.

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Rule 43. (1) An electric provider or alternative electric supplier may use an online distributed generation program application process. For electric providers and alternative electric suppliers not using an online application process, a uniform ~~interim~~ distributed generation program application form shall be utilized which shall be approved by the Commission.

(2) Distributed generation program application processing for electric providers shall be conducted in the following manner:

(a) An applicant applying for the distributed generation program shall at the same time apply for an electric provider interconnection or shall indicate on the distributed generation program application that the applicant has applied for interconnection with the electric provider.

(b) If an applicant has an executed interconnection agreement at the time of filing the distributed generation program application, the electric provider shall have ten (10) ~~working days~~business days to complete its review of the distributed generation program application. All other distributed generation program applications shall be processed within ten (10) days after the applicant's interconnection agreement is executed.

(c) As part of the review, the electric provider shall determine whether the appropriate meter(s) is installed for the distributed generation program.

(d) After completing the review, the electric provider shall notify the customer whether the distributed generation program application is approved or disapproved.

(e) If an applicant approved for the distributed generation program requires new or additional meters, the electric provider shall make arrangements with the customer to install the meters at a mutually agreed upon time.

(f) Within ten (10) ~~working days~~business days after the necessary meters are installed, the electric provider shall complete changes to the applicant's account to permit distributed generation program credit to be applied to the account.

(g) The applicant has thirty (30) business days to respond to any additional follow-up necessary to complete the application. Failure to respond within thirty (30) business days will result in the application being deemed withdrawn without refund of the application fee.

(3) Distributed generation program application processing for alternative electric suppliers shall be conducted in the following manner:

(a) A customer receiving retail electric service from an alternative electric supplier shall submit the completed distributed generation program application form to the alternative electric supplier and a copy of the form to the electric provider that provides distribution services.

(b) Within the time periods in subrule (2) of this rule, the electric provider shall determine whether the appropriate meter(s) is installed for the distributed generation program and, if necessary, contact the customer to arrange for meter installation.

(c) The electric provider shall notify the alternative electric supplier when the interconnection agreement for the eligible generator is executed and installation of the appropriate meter(s) is completed.

(d) Within ten (10) ~~working days~~business days of notification, the alternative electric supplier shall complete changes to the applicant's account to permit distributed generation program credit to be applied to the account.

(4) If a distributed generation program application is not approved, the electric provider or alternative electric supplier shall notify the customer of the reasons. The customer shall have thirty (30) business days to cure the deficiency within the distributed generation program application. The application will be deemed withdrawn without refund of the application fees if not cured within the time frame above.

Commented [DTE11]: The timing in this section and others should be consistent with any timelines established in the interconnection rules where applicable, and if possible should reference timelines established in interconnection rules instead of restating any duplicative timelines here.

However, the Company notes its position here is contingent on the final interconnection rules established.

Commented [DTE12]: Rules should specify that customers have 30 days to cure the deficiency from the date the utility originally informs the customer of the deficiency.

Commented [DTE13]: Rules should specify that customers have 30 days to cure the deficiency from the date the utility originally informs the customer of the deficiency.

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(5) If a customer's application for the distributed generation program is deemed complete the customer shall have a completed and approved installation within 6 months from the date the customer's application is deemed complete, or else the electric provider may terminate the application without refund and shall have no further responsibility with respect to the application

(65) The distributed generation program application fee for electric providers and alternative electric suppliers shall not exceed \$50. The fee shall be specified on the electric distributed generation program tariff sheet or in the alternative electric supplier's distributed generation program plan. The customer shall pay all interconnection costs which shall include all electric provider costs associated with that customer's interconnection that are not a Distributed Generation Program Application fee.

R 460.644 ~~Interim distributed generation~~ Legacy net metering program and distributed generation program size.

Rule 44. If an electric provider or alternative electric supplier reaches the ~~interim distributed generation program and distributed generation~~ program sizes as defined in section 173(3) of 2008 PA 295, MCL 460.1173(3), as determined by combining both the distributed generation program and the legacy net metering program customer enrollments, the electric provider or alternative electric supplier shall provide notice to the Commission. The ~~utility~~ electric provider will notify the Commission of its plans to either close the program to new applicants or expand the program and file corresponding revised ~~interim distributed generation~~ legacy net metering program or distributed generation program tariff sheets.

R 460.646 Generation and ~~interim distributed generation~~ legacy net metering program or distributed generation program equipment.

Rule 46. (1) New ~~interim distributed generation~~ legacy net metering program or distributed generation program equipment and its installation must meet all current local and state electric and construction code requirements as specified in the electric provider's interconnection procedures. ~~Any equipment that is certified by a nationally recognized testing laboratory to IEEE 1547.1-2018 testing standards and in compliance with UL 1741 SA, with any inverters also certified to perform automated grid balancing functions that meet UL 1741 SA as defined in UL 1741 SA installed in compliance with this part is considered to be compliant. Within the time provided by the Commission in R 460.620 [reminder for use during drafting process: 620 is the rule about application processing] and consistent with good provider practice, protection of electric provider workers, protection of electric provider equipment, and protection of the general public, an electric provider may study, confirm, and ensure that an eligible electric generator installation at the customer's site meets the IEEE 1547-2018 anti-islanding requirements.~~

(2) Customers with executed interconnection agreements on the effective date of these rules shall be considered eligible generators provided the customer's project complies with R 460.601a(t) [take out later, this is the eligible electric generator definition] and R 460.640(7) [reminder for use during drafting process: 640(7) is the rule about system size being no larger than the previous year's electric consumption].

R 460.648 Meters for ~~interim distributed generation~~ legacy net metering program.

Commented [DTE14]: The interconnecting electric utility's right to study and operate its distribution system should not be infringed.

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Rule 48. (1) For a customer with a generation system capable of generating 20 kW or less, the provider may determine the customer's net usage using the customer's existing meter if it is capable of reverse registration or may install a single meter with separate registers measuring power flow in each direction. If the provider uses the customer's existing meter, the provider shall test and calibrate the meter to assure accuracy in both directions. If the customer's meter is not capable of reverse registration and if meter upgrades or modifications are required, the following apply:

(a) An electric provider serving over 1,000,000 customers in this state shall provide a meter or meters capable of measuring the flow of energy in both directions at no additional charge to the ~~interim distributed generation~~legacy net metering program customer. The cost of the meter(s) or meter modification shall be considered a cost of operating the ~~interim distributed generation~~legacy net metering program.

(b) An electric provider serving fewer than 1,000,000 customers in this state shall provide a meter or meters capable of measuring the flow of energy in both directions to customers at cost. Only the incremental cost above that for meter(s) provided by the electric provider to similarly situated non-generating customers shall be paid by the eligible customer.

(c) An electric provider shall provide a generator meter, if requested by the customer, at cost.

(2) For a customer with a generation system capable of generating more than 20 kW and up to 150 kW, the provider shall utilize a meter or meters capable of measuring the flow of energy in both directions and the generator output. If meter upgrades are necessary to provide such functionality, the following applies:

(a) An electric provider serving over 1,000,000 customers in this state shall provide a meter or meters capable of measuring the flow of energy in both directions at no additional charge to an ~~interim distributed generation~~legacy net metering program customer. The cost of the meter(s) shall be considered a cost of operating the ~~interim distributed generation~~legacy net metering program.

(b) An electric provider serving fewer than 1,000,000 customers in this state shall provide a meter or meters capable of measuring the flow of energy in both directions to customers at cost. Only the incremental cost above that for meters provided by the electric provider to similarly situated non-generating customers shall be paid by the eligible customer.

(c) An electric provider shall provide a generator meter. The cost of the meter shall be considered a cost of operating the ~~interim distributed generation~~legacy net metering program.

(3) For a customer with a generation system capable of generating more than 150 kW, the provider shall utilize a meter or meters capable of measuring the flow of energy in both directions and the generator output. If meter upgrades are necessary to provide such functionality the customer shall pay the cost of providing any new meters.

(4) An electric provider deploying advanced metering infrastructure shall not charge the cost of advanced meters to an ~~interim distributed generation~~legacy net metering program participant, or the ~~interim distributed generation~~legacy net metering program.

R 460.648 Meters for distributed generation program.

Rule 48. (1) For a customer with a generation system capable of generating 20 kW or less, the electric provider shall determine the customer's power flow in each direction using the customer's existing meter if it is capable of measuring and recording power flow in each direction. If the customer's meter is not capable of measuring and recording the customer's

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power flow in each direction and if meter upgrades or modifications are required, the following apply:

(a) An electric provider serving over 1,000,000 customers in this state shall provide a meter or meters capable of measuring and recording the customer's power flow in each direction at no additional charge to the distributed generation program customer. The cost of the meter(s) or meter modification shall be considered a cost of operating the distributed generation program.

(b) An electric provider serving fewer than 1,000,000 customers in this state shall provide a meter or meters capable of measuring and recording the power flow in each direction to customers at cost. Only the incremental cost above that for meter(s) provided by the electric provider to similarly situated non-generating customers shall be paid by the eligible customer.

(c) An electric provider shall provide a generator meter, if requested by the customer, at cost.

(2) For a customer with a generation system capable of generating more than 20 kW and up to 150 kW, the electric provider shall utilize a meter or meters capable of measuring and recording power flow in each direction and the generator output. If the customer's meter is not capable of measuring and recording the customer's power flow in each direction and the generator output and if meter upgrades or modifications are required, the following apply:

(a) An electric provider serving over 1,000,000 customers in this state shall provide a meter or meters capable of measuring the flow of energy in both directions at no additional charge to a distributed generation program customer. If the provider provides the upgraded meter(s) at no additional charge to the customer, the cost of the meter(s) shall be considered a cost of operating the distributed generation program.

(b) An electric provider serving fewer than 1,000,000 customers in this state shall provide a meter or meters capable of measuring the flow of energy in both directions to customers at cost. Only the incremental cost above that for meters provided by the electric provider to similarly situated non-generating customers shall be paid by the eligible customer.

(c) An electric provider shall provide a generator meter. The cost of the meter shall be considered a cost of operating the distributed generation program.

(3) For a customer with a methane digester generation system capable of generating more than 150 kW, the provider shall utilize a meter or meters capable of measuring the flow of energy in both directions and the generator output. If meter upgrades are necessary to provide such functionality the customer shall pay the cost of providing any new meters.

(4) An electric provider deploying advanced metering infrastructure shall not charge the cost of advanced meters to a distributed generation program customer, or the distributed generation program.

R 460.650 Billing and credit for ~~interim distributed generation~~ legacy net metering program customers taking service under true net metering.

Rule 50. (1) ~~Interim distributed generation~~ Legacy net metering program customers with a system capable of generating 20 kW or less shall qualify for true net metering. For customers who qualify for true net metering, the net of the bidirectional flow of kWh across the customer interconnection with the ~~utility~~ electric provider distribution system during the billing period or during each time-of-use pricing period within the billing period, including excess generation, shall be credited at the full retail rate.

(2) The credit for excess generation, if any, shall appear on the next bill. Any excess credit not used to offset current charges shall be carried forward for use in subsequent billing periods.

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(3) If a customer leaves the provider's system or service is terminated for any reason, an electric provider or alternative electric supplier shall refund to the customer the remaining credit amount.

R 460.652 Billing and credit for ~~interim distributed generation~~ legacy net metering program customers taking service under modified net metering.

Rule 52. (1) ~~Interim distributed generation~~ Legacy net metering program customers with a system capable of generating more than 20 kW qualify for modified net metering. A negative net metered quantity during the billing period or during each time-of-use pricing period within the billing period reflects net excess generation for which the customer is entitled to receive credit. Standby charges for customers on an energy rate schedule shall equal the retail distribution charge applied to the imputed customer usage during the billing period. The imputed customer usage is calculated as the sum of the metered on-site generation and the net of the bidirectional flow of power across the customer interconnection during the billing period. The Commission shall establish standby charges for customers on demand-based rate schedules that provide an equivalent contribution to provider system costs. Standby charges shall not be applied to customers with systems capable of generating 150 kW or less.

(2) The credit for excess generation shall appear on the next bill. Any excess kWh not used to offset current charges shall be carried forward for use in subsequent billing periods.

(3) A customer qualifying for modified net metering shall not have ~~interim distributed generation~~ legacy net metering program credits applied to distribution charges.

(4) If a customer leaves the provider's system or service is terminated for any reason, an electric provider or alternative electric supplier shall refund to the customer the remaining credit amount.

(5) The credit per kWh for kWh delivered into the provider's distribution system shall be one (1) of the following as determined by the Commission:

(a) The monthly average real-time locational marginal price for energy at the commercial pricing node within the electric provider's distribution service territory, or for an ~~interim distributed generation~~ legacy net metering program customer on a time-based rate schedule, the monthly average real time locational marginal price for energy at the commercial pricing node within the electric provider's distribution service territory during the time-of-use pricing period.

(b) The electric provider or alternative electric supplier's power supply component, excluding transmission charges, of the full retail rate during the billing period or time-of-use pricing period.

R 460.53 Billing and credit for distributed generation program customers.

Rule 53. As part of an electric provider's rate case filed after June 1, 2018, the Commission shall approve a tariff for a distributed generation program under the Clean and Renewable Energy and Energy Waste Reduction Act, 2008 PA 295, MCL 460.1001 to 460.1211. A tariff established under this section does not apply to customers participating in an ~~interim distributed generation~~ legacy net metering program under the Clean and Renewable Energy and Energy Waste Reduction Act, 2008 PA 295, MCL 460.1001 to 460.1211, before the date that the Commission establishes a tariff under this section, who continue to participate in the program at their current site or facility.

R 460.654 Renewable energy credits.

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Rule 54. (1) An eligible electric generator shall own any renewable energy credits granted for electricity generated under the ~~interim distributed generation~~legacy net metering program and distributed generation program.

(2) An electric provider may purchase or trade renewable energy ~~credits~~certificates from an ~~interim distributed generation~~legacy net metering program or distributed generation program customer if agreed to by the customer.

(3) The Commission may develop a program for aggregating renewable energy ~~credits~~certificates from ~~interim distributed generation~~legacy net metering program and distributed generation program customers.

R 460.656 Penalties.

Rule 56. Upon a complaint or on the Commission's own motion, if the Commission finds after notice and hearing that an electric provider has not complied with a provision or order issued under part 5 of 2008 PA 295, the Commission shall order remedies and penalties as necessary to make whole a customer or other person who has suffered damages as a result of the violation.

R 460.657

Rule 57. A customer participating in an ~~interim distributed generation~~legacy net metering program approved by the commission before the commission establishes the initial distributed generation program tariff referred to in Rule 40 may elect to continue to receive service under the terms and conditions of that program for up to ten (10) years from the date of initial enrollment. Initial enrollment as used in this section means the date a customer or site initially enrolled in an ~~interim distributed generation~~legacy net metering program as described in the electric provider's tariff. The enrollment date shall not change ~~if a customer increases or otherwise modifies their generation capacity at a later date, or~~ if a new customer assumes ownership of the site from a customer already in an ~~interim distributed generation~~legacy net metering program. Any customer participating in a Legacy net metering Program who expands their generation system after the effective date of an electric provider's Distributed Generation Program will no longer be eligible to participate in the ~~Interim Distribution Generation~~ Program.

Commented [DTE15]: Interim Distributed Generation should be replaced with "Legacy Net Metering"