§ 8531. Definitions.

As used in this article, the following words and phrases shall have the meanings given to them in this section unless the context clearly indicates otherwise:

(a) "Available capacity" shall mean the capacity available to the electric utility's system after factoring nameplate rating, times efficiency factor, times demonstrable hours of operation divided by total 8760 hours per year.

(b) "Control area" shall mean each of the islands which the electric utility serves.

(c) "Electric utility" shall mean the Commonwealth Utilities Corporation and/or its successor in interest ("CUC") and any other provider of retail electric service in the Commonwealth.

(d) "Eligible customer-generator" shall include any independent power producers ("IPP") and shall mean an electric utility's metered residential or commercial customer, or contracted generation station including a government entity, who owns and operates, or will own and operate, a renewable energy system to generate electricity that is:

(1) Located on the customer's premises or a remote station;

(2) Operated in parallel with the utility's transmission and distribution facilities;

(3) In conformance with the utility's reasonable and lawful interconnection requirements; and

(4) Intended primarily to offset part or all of the customer's own electrical requirements, or

(5) Intended primarily to fulfill an electric contract to sell power to the utility or a third party customer.

(e) "Energy service company" or "ESCO" is a business that develops, installs, and finances projects designed to improve the energy efficiency and maintenance costs for facilities over a seven-to ten year time period, which project expenses, capital investments and fees are bundled into the project's cost and are repaid through a portion of the dollar savings generated. The ESCO is a business which generally acts as a project developer for a wide range of tasks and assumes the technical and performance risk associated with the project. Typically, the ESCO offers the following services: develop, design, and finance energy efficiency projects; install and maintain the energy efficient equipment involved; measure, monitor, and verify the project's energy savings; and assume the risk that the project will save the amount of energy guaranteed.

(f) "Energy service contract" shall mean a contract between a facilities owner or manager, including the government, and an energy service company or an independent power producer.

(g) "Independent Power Producer" shall mean an entity which generates electricity for public or private use solely through its ownership of a private energy power production facility; provided it is not a public utility, or a holding company or subsidiary of a public utility.

(h) "Net energy metering" shall mean measuring with a mechanical and/or electronic device the difference between the electricity supplied through the

electric grid and the electricity generated by an eligible customer-generator and fed back to the electric grid over a monthly billing period; provided that:

(1) Net energy metering shall be accomplished using a single meter capable of registering the flow of electricity in two directions;

(2) An additional meter or meters to monitor the flow of electricity in each direction may be installed with the consent of the customer-generator, at the expense of the electric utility, and the additional metering shall be used only to provide the information necessary to accurately bill or credit the customer-generator, or to collect renewable energy generating system performance information for research purposes;

(3) If the existing electric meter of an eligible customer-generator is not capable of measuring the flow of electricity in two directions, the electric utility shall be responsible for all expenses involved in purchasing and installing a meter that is able to measure electricity flow in two directions;

(4) If an additional meter or meters are installed, the net energy metering calculation shall yield a result identical to that of a single two-directional meter; and

(i) "Net electricity consumer" shall mean an eligible customer-generator who, at the end of each monthly billing period, has consumed electricity where:

(1) The electric utility's delivery of electricity to the customer exceeds

(2) The sum of:

(i) The electricity generated by the eligible customer-generator during that same period; and

(ii) Unused credits for excess electricity from the eligible customer-generator carried over from prior months since the last renewable energy-month reconciliation period.

(j) "Net electricity producer" shall mean the eligible customer-generator who, at the end of each monthly billing period, has generated electricity during the month in an amount which exceeds the electricity supplied by the electric utility during that same period.

(k) "Regulator" shall mean the Commonwealth Public Utilities Commission, or its successor in interest, or if no such commission exists, the Board of the government-owned utility.

(l) "Renewable energy system" shall mean a generating system that uses a renewable energy source as defined in this chapter, or a hybrid system consisting of two or more of these facilities.

Source: PL 15-23, § 2(8631); amended by PL 15-87 § 2(8631), modified.

Commission Comment: The Commission changed capitalization and corrected manifest errors in this section pursuant to 1 CMC § 3806(f) and (g). The Commission changed "who" to "which" in subsection (g) and inserted the closing quotation marks in subsections (i)-(l).