

COLORADO DEPARTMENT OF REGULATORY AGENCIES
Public Utilities Commission

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PART 3
RULES REGULATING ELECTRIC UTILITIES

MASTER METERS

3800. Scope and Applicability.

These rules are applicable to any person who purchases electric service from a utility for the purpose of delivery of that service to end-users whose aggregate usage is to be measured by a master meter or other composite measurement device.

3801. Definitions.

The following definitions apply to rules 3800 through 3805, unless a specific statute or rule provides otherwise. In the event of a conflict between these definitions and a statutory definition, the statutory definition shall apply.

- (a) "Check-meter" means a meter or other composite measurement device which is used by a master meter operator and which is used to determine electric consumption by end-users served by the master meter operator.
- (b) "Master meter" means a meter or other composite measurement device which a serving utility uses to bill a master meter operator.
- (c) "Master meter operator" or "MMO" means a person who purchases electric service from a serving utility for the purpose of delivering that service to end-users whose aggregate usage is measured by a master meter.
- (d) "Refund" means a refund, rebate, rate reduction, or similar adjustment.
- (e) "Serving utility" means the utility from which the master meter operator receives the electric service which the master meter operator then delivers to end-users.

3802. Exemption from Rate Regulation.

- (a) Pursuant to § 40-1-103.5, C.R.S., and by this rule, the Commission exempts from rate regulation under Articles 1 to 7 of Title 40, C.R.S., a master meter operator which is in compliance with rules 3803 and 3804.
- (b) A master meter operator which is not in compliance with rules 3803 and 3804 is subject to rate regulation under Articles 1 to 7 of Title 40, C.R.S., and shall comply with the applicable rules.

3803. Exemption Requirements.

- (a) In order to retain its exemption from rate regulation, a MMO shall do the following.
 - (i) As part of its billing for utility service, the MMO shall charge its end-users only the actual cost billed to the MMO by the serving utility. The MMO shall not charge end-users for any other costs (such as, without limitation, the costs of construction, maintenance, financing, administration, metering, or billing for the equipment and facilities owned by the MMO) in addition to the actual costs billed to the MMO by the serving utility: except for refunds, rebates, rate reductions, net metering credits, or similar adjustments attributable

to the use of electricity generated from retail distributed generation that is located on property owned or leased by the MMO or by a customer served by the MMO.

- (II) If the MMO bills its end-users separately for service, the sum of such billings shall not exceed the amount billed to the MMO by the serving utility.
 - (III) If the MMO bills its end-users separately for service, the MMO shall pass on to its end-users all refunds the MMO receives from the serving utility or otherwise.
 - (IV) The MMO shall establish procedures for giving notice of a refund to those who are not current end-users but who were end-users during the period for which the refund is paid.
 - (V) A master meter operator shall retain, for a period of not less than three years, all records of original utility billings made to the master meter operator and all records of billings made by the master meter operator to its end-users.
- (b) In order to retain its exemption from rate regulation, a MMO shall not resell electricity for profit. Resale is a basis for revocation of an exemption from rate regulation.
 - (c) A MMO may check-meter tenants, lessees, or other persons to whom the electricity ultimately is distributed but may do so only if the following conditions are met:
 - (I) the check-meter is used solely for the purpose of reimbursing the MMO by means of an appropriate allocation procedure; and
 - (II) the MMO does not receive more than the actual amount billed to the MMO by the serving utility.

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[indicates omission of unaffected rules]

3664. Net Metering.

- (a) Except as provided in paragraph 3664(i), all investor owned QRUs shall allow the customer's retail electricity consumption to be offset by the electricity generated from retail renewable distributed generation, provided that the generating capacity of the customer's facility meets the following two criteria:
 - (I) the retail renewable distributed generation shall be sized to supply no more than 120 percent of the customer's average annual electricity consumption at that site, where the site includes all contiguous property owned or leased by the consumer, without regard to interruptions in contiguity caused by easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way; and
 - (II) the rated capacity of the retail renewable distributed generation does not exceed the customer's service entrance capacity.
- (b) If a customer with retail renewable distributed generation generates renewable energy pursuant to paragraph 3664(a) in excess of the customer's consumption, the excess kWh shall be carried forward from month to month and credited at a ratio of 1:1 against the customer's retail kWh consumption in subsequent months. Within 60 days of the end of each calendar year, or within 60 days of when the customer terminates its retail service, the investor owned QRU shall compensate the customer for any accrued excess kWh credits, at the investor owned QRU's average hourly incremental cost of electricity supply over the most recent calendar year. However, the customer may make a one-time election, in writing, on or before the end of a calendar year, to request that the excess kWh be rolled over as a credit from month to month indefinitely until the customer terminates service with the investor owned QRU, at which time no payment shall be required from the investor owned QRU for any remaining excess kWh credits supplied by the customer.

- (c) A customer's retail renewable distributed generation shall be equipped with metering equipment that can measure the flow of electric energy in both directions. The investor owned QRU shall utilize a single bi-directional electric meter.
- (d) If the customer's existing electric meter does not meet the requirements of these rules, the investor owned QRU shall install and maintain a new meter for the customer, at the company's expense. Any subsequent meter change necessitated by the customer shall be paid for by the customer.
- (e) The investor owned QRU shall not require more than one meter per customer to comply with this rule 3664. Nothing in this rule 3664 shall preclude the QRU from placing a second meter to measure the output of a solar renewable energy system for the counting of RECs subject to the following conditions.
 - (I) For customer facilities over ten kW, a production meter shall be required to measure the solar renewable energy system output for the counting of RECs.
 - (II) For systems ten kW and smaller, a production meter may be installed under either of the following circumstances:
 - (A) the QRU may install a production meter on the solar renewable energy system output at its own expense if the customer consents; or
 - (B) the customer may request that the QRU install a production meter on the solar renewable energy system output in addition to the meter at the customer's expense.
 - (III) If the on-site solar system is not owned by the electric consumer, the owner or operator of the on-site solar system shall pay the cost of installing the production meter.
- (f) An investor owned QRU shall provide net metering service at non-discriminatory rates to customers with retail renewable distributed generation. A customer shall not be required to change the rate under which the customer received retail service in order for the customer to install retail renewable distributed generation. Nothing in this rule shall prohibit an investor owned QRU from requesting changes in rates at any time.
- (g) Unless the Commission approves under § 40-2-124(1)(g)(IV)(B), C.R.S., an alternative surcharge for net metered customers served by an investor owned QRU, the investor owned QRU shall bill a retail customer receiving net metering service a surcharge to supplement that customer's contribution toward the investor owned QRU's RESA account.
 - (I) For retail renewable distributed generation that is production metered, the surcharge shall increase the customer's total contribution to the investor owned QRU's RESA account to the calculated level it would have been had all of the customer's consumption been billed at the investor owned QRU's applicable rates.
 - (II) For retail renewable distributed generation that is not production metered, the surcharge shall increase the customer's total contribution to the investor owned QRU's RESA account as follows, based upon the size of the customer's system.
 - (A) For customers with a system that is from 500 watts to five kW, a 500 kWh volume proxy shall be used. The 500 kWh volume proxy will be multiplied by the current monthly per kWh effective residential energy rate and effective riders. That product will then be multiplied by two percent to obtain the customer's RESA contribution amount.
 - (B) For customers with a system that is from five kW up to ten kW, a 1,000 kWh volume proxy shall be used. The 1,000 kWh volume proxy will be multiplied by the current monthly per kWh effective residential energy rate and effective riders.

That product will then be multiplied by two percent to obtain the customer's RESA contribution amount.

- (h) If more than one meter is used to measure the electricity consumption of a customer with retail renewable distributed generation at the premises where the retail renewable distributed generation is installed, the following provisions apply:
 - (I) An investor owned QRU must, upon request from such customer, aggregate for billing purposes a meter to which the retail renewable distributed generation is physically attached (the designated meter) with one or more meters (the additional meters) in the manner set out in this paragraph when:
 - (A) each additional meter is located on the customer's contiguous property; and
 - (B) each additional meter is used to measure only the customer's own electricity consumption.
 - (II) A net metering customer must give at least 30 days' notice to the QRU to request that additional meters be aggregated pursuant to this paragraph. The specific designated and additional meters must be identified at the time of such request. In the event that more than one additional meter is identified, the utility shall apply the net metering kWh credits to the sum of the kWh consumption as measured by the designated and additional meters.
 - (III) If, in a monthly billing period, the customer's retail renewable distributed generation generates more renewable energy than the customers' consumption as measured by the designated and additional meters, the excess kWh credits will be rolled over as a credit from month to month indefinitely until the customer terminates service with the investor owned QRU, at which time no payment shall be required from the investor owned QRU for any remaining excess kWh credits supplied by the customer.
 - (IV) All meters aggregated pursuant to this paragraph must be on the same rate schedule.
- (i) The investor owned QRU shall not prohibit customers who are end-users served by a meter operator as defined in paragraph 3801(c) from participating in the investor owned QRU's net metering programs.
- (j) Pursuant to § 24-33-115(2), C.R.S., for the Colorado Division of Parks and Outdoor Recreation (CDPOR) as the customer of an investor owned QRU, the investor owned QRU may, on a case-by-case or project-by-project basis:
 - (I) waive any existing limits on the net metering of electricity generated on contiguous property constituting the CDPOR customer's site;
 - (II) waive any existing limits on generating capacity or customer service entrance capacity if the customer proposes to make any necessary upgrades to its service entrance capacity at its own expense; and
 - (III) have the right of first refusal to purchase, and the right not to purchase, electricity from retail renewable distributed generation that is sized to provide more than 120 percent of the average annual consumption of electricity by the CDPOR customer at that site. If the investor owned QRU exercises its option to purchase excess generation under this subparagraph 3664(i)(III), it may claim the RECs based on such purchases.
 - (IV) This paragraph does not confer upon CDPOR the right to make retail sales of electricity or distribute electricity to other state agencies or to noncontiguous properties.

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[indicates omission of unaffected rules]

3662. Annual RES Compliance Report.

- (a) Each investor owned and cooperative electric association QRU shall file an annual RES compliance report no later than June 1 to report on the status of the QRU's compliance with the RES for the most recently completed compliance year. Unless expressly noted otherwise, the annual RES compliance report of each investor owned and cooperative electric association QRU shall provide the following information for the most recently completed compliance year.

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[indicates omission of unaffected rules]

(XIX) A summary of program participation by customers who are end-users served by a master meter operator as defined in paragraph 3801(c).