

Net Metering in Kansas

Source: Kansas Corporation Commission, <http://kcc.ks.gov/energy/>



Small wind turbines, like this grid-connected Bergey 10 kW Excel in Scott City, Kansas, can provide supplemental power for farms and ranches. Excess power is fed back into the utility grid. (Photo by Warren Gretz, NREL Staff Photographer.)

Where are the Net Metering Statutes Found in the Kansas State Statutes?

K.S.A. 66-1263 through 66-1271 make up the statutes concerning net metering. Further regulations that provide guidance for the administration and enforcement of the statutes concerning net metering in the state of Kansas can be found in K.A.R. 82-17-1 through 82-17-5.

What's the Official Name for These Statutes?

Net Metering and Easy Connection Act (NMECA).

What Utilities are Affected by the Net Metering Statutes and Regulations?

Investor-owned electric utilities are subject to the NMECA and resulting regulations. Municipal utilities are exempt. The investor-owned electric utilities in the state of Kansas are Westar, Kansas City Power & Light, and the Empire Power District.

What About Electric Cooperatives and Municipal Electric Providers?

They are not mandated to offer net metering by this statute, but many have elected under their boards and membership to enact some form of net metering. Contact your local electric cooperative or municipal electric provider to obtain the details of their offerings. In a side note, Midwest Energy and Mid Kansas Electric Cooperative have both submitted and had net metering tariffs approved by the Corporation Commission.

What is Net Metering?

Net metering is the opportunity for a customer generator, (a customer who installs or operates and connects a renewable generation source in parallel to the local utility grid, at their household or business), to get a 1:1 ratio for any energy they produce. The energy that the customer generator produces beyond what they use is a positive net value and is banked on the customer's account by the utility. This banked energy can then be used if the generator is not producing enough energy to completely fulfill that generator's energy needs in a future month. Any banked energy remaining at the end of calendar year is retained by the utility.

If You Produce More Energy Than You Need, Do You Get Paid?

No, the energy banked is maintained with the utility. At the end of the year, any remaining sum of energy expires and the "banked" balance returns to zero at the beginning of each new calendar year. (K.S.A. 66-1266)

Are There Any Limits on How Big My Solar Array, Wind Turbine or Other Renewable Generation Can Be?

A customer generator should properly size their generation to support the load of their facility, whether that is a home or business. Each utility has given some brief outlines of how they define sizing. If you are unfamiliar with how to do this, consult your project engineer, project installer or your utility directly. Each utility is required by K.S.A. 66-1267 to allow residential customer generators to net meter up to 25 kW and nonresidential customer generators, as defined by statute, to net meter up to 200 kW.

Can a Customer Generator Sell Renewable Energy Credits (RECs) from the Energy Produced by their Net Metered Facility?

No. K.S.A. 66-1271 provides that all the estimated generating capacity of all net metered facilities shall count toward the affected utility's compliance with Kansas's Renewable Energy Standard or RES (K.S.A. 66-1256 through 66-1262).

Further, the associated Renewable Energy Standard Regulations (K.A.R. 82-16 Electric Utility Renewable Energy Standards) states in 82-16-6, "utilities and customer-generators shall not create, register, or sell RECs from energy produced from generation, purchased energy, or net

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metering system capacity if the energy is used by a utility to comply with the portfolio requirements of the act.” If a generator’s capacity is being utilized towards a utility’s RES compliance, neither the utility nor the customer generator may sell any associated RECs.

Can I Purchase Power from a Third Party, other than Myself or the Investor Owned Electric Utilities, for instance, if a Third Party Installed a Solar Array on My Property to Sell Energy to Me?

No. The Retail Electric Suppliers Act (RESA) prohibits the furnishing of retail electric service by any person or company other than the certified public utility for a particular territory. (K.S.A. 66-1,170 to 66-1,176c). K.S.A. 66-104 defines a public utility. A company could venture into the process of being certified as a public utility, but it involves an extensive process. If an entity is not a “public utility” it cannot sell retail power in the state of Kansas, which is what such a transaction would be if the power is sold to a retail customer. Therefore, a certified public utility or the customer-generator itself must have an ownership interest in the generating equipment used for net metering.

Can I Construct a Wind or Photovoltaic Farm (i.e., Large-Scale Generation) and Have it Net Metered?

No. The concept of net metering is directed towards small-scale projects meant to provide power to a structure or a small number of structures (e.g. Farm house and out buildings). In contrast, industrial-scale farms of turbines or panels are constructed to power a proportionally larger scale and are tied directly to the transmission grid. Given the previously mentioned net metering limitations of 25 kW for residential customers and 200 kW for commercial customers, wind or



A grid-connected Bergey 10 kW Excel in Scott City, Kansas (Photo by Warren Gretz, NREL Staff Photographer.)

photovoltaic farms that produce power in the hundreds of MW range (potentially a magnitude of at least 1000 times larger) would not be net metered. Instead they would enter into a power purchase agreement, or a contract with the utility made up specifically for that transaction.