

Amendment No. 526

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| Assembly Amendment to Assembly Bill No. 236 | (BDR 58-248) |
| Proposed by: Committee on Commerce and Labor | |
| Amendment Box: | |
| Resolves Conflicts with: N/A | |
| Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes | |

| ASSEMBLY ACTION | Initial and Date | SENATE ACTION | Initial and Date |
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| Adopted <input type="checkbox"/> Lost <input type="checkbox"/> | _____ | Adopted <input type="checkbox"/> Lost <input type="checkbox"/> | _____ |
| Concurred In <input type="checkbox"/> Not <input type="checkbox"/> | _____ | Concurred In <input type="checkbox"/> Not <input type="checkbox"/> | _____ |
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Amend the bill as a whole by renumbering sections 2 through 6 as sections 4 through 8 and adding new sections designated sections 2 and 3, following section 1, to read as follows:

“Sec. 2. NRS 704.773 is hereby amended to read as follows:

704.773 1. A utility shall offer net metering, as set forth in NRS 704.775, to the customer-generators operating within its service area [-

—2.—A] *until the cumulative capacity of all such net metering systems is equal to 1 percent of the utility’s peak capacity.*

2. *If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of not more than 30 kilowatts, the utility:*

WBRD/BJE

Date: 4/25/2005

A.B. No. 236—Makes various changes relating to energy systems that use certain types of renewable energy.



(a) Shall offer to make available to ~~[each of its customer-generators who has accepted its offer for net metering]~~ ***the customer-generator*** an energy meter that is capable of registering the flow of electricity in two directions.

(b) May, at its own expense and with the written consent of the customer-generator, install one or more additional meters to monitor the flow of electricity in each direction.

(c) Shall not charge a customer-generator any fee or charge that would increase the customer-generator's minimum monthly charge to an amount greater than that of other customers of the utility in the same rate class as the customer-generator.

3. If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of more than 30 kilowatts, the utility may:

(a) Require the customer-generator to install at its own cost an energy meter that is capable of measuring generation output and customer load.

(b) Charge the customer-generator any applicable fee or charge charged to other customers of the utility in the same rate class as the customer-generator, including, without limitation, customer, demand and facility charges.

Sec. 3. NRS 704.775 is hereby amended to read as follows:

704.775 1. The billing period for net metering ~~[may be either]~~ ***must be*** a monthly period . ~~[or, with the written consent of the customer-generator, an annual period.~~

~~—2. The]~~

2. If a customer-generator's net metering system has a capacity of not more than 30 kilowatts, the net energy measurement must be calculated in the following manner:

(a) The utility shall measure, *in kilowatt hours*, the net electricity produced or consumed during the billing period, in accordance with normal metering practices.

(b) If the electricity supplied by the utility exceeds the electricity generated by the customer-generator which is fed back to the utility during the billing period, the customer-generator must be billed for the net electricity supplied by the utility.

(c) If the electricity generated by the customer-generator which is fed back to the utility exceeds the electricity supplied by the utility during the billing period:

(1) Neither the utility nor the customer-generator is entitled to compensation for electricity provided to the other during the billing period. ~~[, and]~~

(2) *The excess electricity which is fed back to the utility during the billing period is carried forward to the next billing period as an addition to the kilowatt hours generated by the customer-generator in that billing period. If the customer-generator is billed for electricity pursuant to a time-of-use rate schedule, the excess electricity carried forward must be added to the same time-of-use period as the time-of-use period in which it was generated unless the subsequent billing period lacks a corresponding time-of-use period. In that case, the excess electricity carried forward must be apportioned evenly among the available time-of-use periods.*

(3) *Excess electricity may be carried forward to subsequent billing periods indefinitely, but a customer-generator is not entitled to receive compensation for any excess electricity that remains if:*

(I) *The net metering system ceases to operate or is disconnected from the utility's transmission and distribution facilities;*

(II) The customer-generator ceases to be a customer of the utility at the premises served by the net metering system; or

(III) The customer-generator transfers the net metering system to another person.

(4) The excess electricity which is fed back to the utility shall be deemed to be electricity that the utility generated or acquired from a renewable energy system for the purposes of complying with its portfolio standard pursuant to NRS 704.7801 to 704.7828, inclusive.

3. *If a customer-generator's net metering system has a capacity of more than 30 kilowatts, the net energy measurement must be calculated in the following manner:*

(a) The utility shall:

(1) Measure, in kilowatt hours, the amount of electricity supplied by the utility to the customer-generator during the billing period and calculate its value using the tariff that would be applicable if the customer-generator did not use a net metering system; and

(2) Measure, in kilowatt hours, the amount of electricity generated by the customer-generator which is fed back to the utility during the billing period and calculate its value at a rate that is consistent with the rate used to calculate the value of the electricity supplied by the utility.

(b) If the value of electricity supplied by the utility exceeds the value of the electricity generated by the customer-generator which is fed back to the utility during the billing period, the customer-generator must be billed for the net value of the electricity supplied by the utility.

(c) If the value of the electricity generated by the customer-generator which is fed back to the utility exceeds the value of the electricity supplied by the utility during the billing period:

(1) Neither the utility nor the customer-generator is entitled to compensation for the value of the electricity provided to the other during the billing period.

(2) The value of the excess electricity:

(I) Must not be shown as a credit on the customer-generator's bill for that billing period or carried forward to the next billing period as a credit balance in the customer-generator's account.

(II) Does not reduce any other fee or charge imposed by the utility.

4. A bill for electrical service is due at the time established pursuant to the terms of the contract between the utility and the customer-generator."

Amend sec. 2, pages 2 and 3, by deleting line 22 on page 2 and line 1 on page 3, and inserting:
"704.7811, as their primary source of energy to".

Amend sec. 4, page 4, line 23, by deleting:
"Systems which use" and inserting:
"A system that uses".

Amend sec. 4, page 4, lines 24 and 25, by deleting ***"one acre"*** and inserting ***"2 acres"***.

Amend sec. 4, page 4, between lines 35 and 36, by inserting:
"4. A unit's owner may not add to the unit a system that uses wind energy as described in subparagraph 4 of paragraph (b) of subsection 2 unless he first obtains the written consent of each owner of property within 300 feet of any boundary of the unit."

Amend sec. 6, page 5, line 28, after "codes" by inserting:
"and, if necessary, its zoning ordinances and regulations".

Amend the title of the bill, sixth line, after "codes" by inserting "and zoning ordinances".

**If this amendment is adopted, the Legislative
Counsel's Digest will be changed to read as follows:**

Legislative Counsel's Digest:

Under existing law, certain electric utilities are required to allow their customers to use net metering systems on their property to generate electricity from certain types of renewable energy. (NRS 704.766-704.775) The electricity generated from a net metering system is used to offset the customer's demand for electricity from the utility. (NRS 704.771, 704.775) A net metering system used by a customer may not have a generating capacity of more than 30 kilowatts. (NRS 704.771)

This bill provides that a utility is not required to allow additional customers to use net metering systems after the cumulative capacity of all such net metering systems is equal to 1 percent of the utility's peak capacity. This bill authorizes a customer to use a net metering system that has generating capacity of not more than 150 kilowatts. This bill also establishes one formula for calculating the net cost of electricity for a customer whose net metering system has a capacity of 30 kilowatts or less and a different formula for a customer whose net metering system has a capacity greater than 30 kilowatts. The bill allows a customer with the smaller capacity system to carry forward excess electricity from one billing period to another.

Under existing law, a person must obtain a permit from the Public Utilities Commission of Nevada before constructing certain electric generating plants and their associated facilities. (NRS 704.820-704.900) However, such permitting requirements do not apply to electric generating plants and their associated facilities located entirely within the boundaries of a county whose population is 100,000 or more. (NRS 704.860)

This bill creates an exception from the permitting requirements for electric generating plants and their associated facilities if they use certain types of renewable energy as their primary source of energy to generate electricity and have a generating capacity of not more than 150 kilowatts.

Under existing law, deeds and other legal instruments affecting real property and local ordinances, regulations and plans governing real property may not prohibit or unreasonably restrict an owner from using a solar energy system on his property. (NRS 111.239, 278.0208)

This bill amends existing law to provide that an owner may not be prohibited or unreasonably restricted from using a wind energy system on his property.

Under existing law, a homeowners' association may not unreasonably restrict, prohibit or withhold approval for an owner of a unit to make certain improvements to his unit, such as adding shutters to aid in reducing the energy costs for the unit. (NRS 116.2111)

This bill extends such protections to an owner who wants to improve his unit by adding a wind energy system that reduces the energy costs for the unit if the property where the wind energy system is located is at least 2 acres in size. However, the bill also provides that a unit owner may not add such a wind energy system unless he obtains the consent of every person who owns property within 300 feet of his unit.

Existing law requires a local government to amend its building codes to permit a person to use solar energy to heat a structure to the extent the local climate allows. (NRS 278.580)

This bill requires a local government to amend its building codes and, if necessary, its zoning ordinances and regulations to permit a person to use solar energy systems and wind energy systems to reduce the energy costs for a structure to the extent the local climate allows for the use of such systems.