



AB 425 (R1) Conceptual Amendment

Proposed by
Asm. Howard Watts III
Assembly District 15

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

ASSEMBLY BILL NO. 425—COMMITTEE
ON GROWTH AND INFRASTRUCTURE
MARCH 27, 2023

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions governing net metering.
(BDR 58-1036)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to net metering; authorizing the users of a low-income housing shared net metering system to participate in net metering; exempting the owner or operator of a low-income housing shared net metering system from certain provisions of law; requiring the Public Utilities Commission of Nevada to adopt certain regulations; revising provisions governing the administration of net metering; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires each electric utility in this State to offer net metering to customer-generators operating in the service area of the utility. (NRS 704.773) **Section 10 and 11** of this bill authorize the users of a low-income housing shared net metering system to participate in net metering. **Sections 2-7** of this bill define terms related to low-income housing shared net metering systems. **Section 8** of this bill excludes persons who own or operate a low-income housing shared net metering system from the definition of “public utility.” **Section 9** of this bill makes a conforming change to make the definitions set forth in **sections 2-7** applicable to the law governing net metering. **Sections 12-14** of this bill revise existing provisions governing net metering to provide for the administration of net metering with respect to low-income housing shared net metering systems, including the measuring of net electricity produced or consumed and the awarding of credit for excess electricity produced by a low-income housing shared net metering system. **Section 12** of this bill requires the Public Utilities Commission of Nevada to adopt regulations prescribing the form and substance for a low-income housing shared net metering tariff or tariffs and a standard low-income housing shared net metering contract. **Section 15** of this bill provides that, with certain exceptions, certain provisions governing the rates charged for the provision of electric service by the

landlord of a manufactured home park or mobile home park or owner of a company town do not apply to the owner or operator of a low-income housing shared net metering system.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 704 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. *“Allocation” means a portion of the capacity from or the electricity that is produced by a low-income housing shared net metering system that is attributed to one of its users.*

Sec. 3. *“Low-income housing shared net metering system” means an energy system for the generation of electricity that:*

1. Uses renewable energy as its primary source of energy to generate electricity;

2. Has a generating capacity of not more than 1 megawatt as measured in alternating current;

3. Is a qualified low-income residential building project that is located on a qualified multifamily affordable housing property;

4. Operates in parallel with the utility’s transmission and distribution facilities;

5. Is owned by the landlord ~~or another third party,~~ property owner, or a licensed contractor, that either equitably allocates the capacity and associated production of the energy system to each of the individually metered units or common areas within the qualified multifamily affordable housing property ~~or, if the property is master metered, equitably allocates benefits to residents,~~ not to include Portfolio energy credits, defined in NRS 7047803, which shall reside with the system owner, unless transferred at its sole discretion;

6. Is intended primarily to offset part or all of the qualified multifamily affordable housing property’s requirements for electricity, subject to the following maximum allocations:

(a) ~~In the case of common area meters or master meters,~~ A capacity that is sized to supply not more than 100 percent of the metered historic usage or reasonably expected future usage of the qualified affordable multifamily housing property in aggregate; and

(b) ~~In the case of meters serving tenant units,~~ A capacity of not more than 25 kilowatts per tenant unit; and

7. Is net metered by the utility by allocating net metering credits either to common area meters or to individually-metered accounts, or both, that receive an allocation, according to the allocation schedule provided by the owner of the energy system,

without requiring the energy system to be physically interconnected with the meter of each user.

~~Sec. 4. "Master meter" means a single electric meter used to measure electricity usage for multiple tenants or units within a ##~~

Sec. 4.5. "Net metering credits" means the credit that the utility is required to provide to a customer-generator for each kilowatt-hour of excess electricity governed by paragraph (c) of subsection 2 of NRS 704.775 that is generated by the customer-generator.

Sec. 5. "Qualified low-income residential building" means a residential rental building which participates in:

1. A covered federal housing program, as defined in 34 U.S.C. § 12491(a)(3);

2. A housing assistance program administered by the United States Department of Agriculture under Title V of the federal Housing Act of 1949;

3. A housing program administered by a tribally designated housing entity, as defined in 25 U.S.C. § 4103(22); or

4. Such other affordable housing programs as federal law may provide.

Sec. 6. "Qualified low-income residential building project" means an energy facility that:

1. Is installed on the premises of a qualified low-income residential building; and

2. For which the financial benefits of the electricity produced by the energy facility are allocated equitably among the occupants of the dwelling units of the qualified low-income residential building.

Sec. 7. "Qualified multifamily affordable housing property":

1. Means a multifamily residential property with at least five rental housing units that:

(a) Contains one or more qualifying low-income residential buildings that are part of a single low-income housing enterprise, provided that at least 80 percent of the rental housing units meet the income restrictions of the applicable housing assistance program; and

(b) Consists of tenant housing units, which may be individually metered and the occupants of which may maintain individual customer accounts with the utility, along with common areas served by one or more common meters under the customer account of the property owner.

~~2. In the case of a mixed-use property, does not include any independent commercial units on the premises that are not appurtenant to the housing use.~~

Sec. 8. NRS 704.021 is hereby amended to read as follows:

704.021 “Public utility” or “utility” does not include:

1. Persons engaged in the production and sale of natural gas, other than sales to the public, or engaged in the transmission of natural gas other than as a common carrier transmission or distribution line or system.

2. Persons engaged in the business of furnishing, for compensation, water or services for the disposal of sewage, or both, to persons within this State if:

(a) They serve 25 persons or less; and

(b) Their gross sales for water or services for the disposal of sewage, or both, amounted to \$25,000 or less during the immediately preceding 12 months.

3. Persons not otherwise engaged in the business of furnishing, producing or selling water or services for the disposal of sewage, or both, but who sell or furnish water or services for the disposal of sewage, or both, as an accommodation in an area where water or services for the disposal of sewage, or both, are not available from a public utility, cooperative corporations and associations or political subdivisions engaged in the business of furnishing water or services for the disposal of sewage, or both, for compensation, to persons within the political subdivision.

4. Persons who are engaged in the production and sale of energy, including electricity, to public utilities, cities, counties or other entities which are reselling the energy to the public.

5. Persons who are subject to the provisions of NRS 590.465 to 590.645, inclusive.

6. Persons who are engaged in the sale or use of special fuel as defined in NRS 366.060.

7. Persons who provide water from water storage, transmission and treatment facilities if those facilities are for the storage, transmission or treatment of water from mining operations.

8. Persons who are video service providers, as defined in NRS 711.151, except for those operations of the video service provider which consist of providing a telecommunication service to the public, in which case the video service provider is a public utility only with regard to those operations of the video service provider which consist of providing a telecommunication service to the public.

9. Persons who own or operate a net metering system described in paragraph (c) *or* (d) of subsection 1 of NRS 704.771.

10. Persons who own or operate a net metering system or systems described in paragraph (a) of subsection 1 of NRS 704.771 and deliver electricity to multiple persons, units or spaces on the premises if:

(a) The electricity is delivered only to persons, units or spaces located on the premises on which the net metering system or

systems are located;

(b) **Sec. 10.** NRS 704.768 is hereby amended to read as follows: 704.768 “Customer-generator” means a user of a net metering system ~~+~~, *including, without limitation:*

1. The owner of a low-income housing shared net metering system; and

2. Any user of a low-income housing shared net metering system, including, without limitation, tenant meters and common area meters that receive an allocation of the capacity and associated production of the low-income housing shared net metering system, regardless of the legal ownership of the low-income housing shared net metering system.

Sec. 11. NRS 704.771 is hereby amended to read as follows: 704.771

1. “Net metering system” means:

(a) A facility or energy system for the generation of electricity that:

(1) Uses renewable energy as its primary source of energy to generate electricity;

(2) Has a generating capacity of not more than 1 megawatt;

(3) Is located on the customer-generator’s premises;

(4) Operates in parallel with the utility’s transmission and distribution facilities; and

(5) Is intended primarily to offset part or all of the customer-generator’s requirements for electricity;

(b) A facility or energy system for the generation of electricity that:

(1) Uses waterpower as its primary source of energy to generate electricity;

(2) Is located on property owned by the customer-generator;

(3) Has a generating capacity of not more than 1 megawatt;

(4) Generates electricity that is delivered to the transmission and distribution facilities of the utility; and

(5) Is intended primarily to offset all or part of the customer-generator’s requirements for electricity on that property or contiguous property owned by the customer-generator; ~~or~~

(c) A facility or energy system for the generation of electricity:

(1) Which uses wind power as its primary source of energy to generate electricity;

(2) Which is located on property owned or leased by an institution of higher education in this State;

(3) Which has a generating capacity of not more than 1 megawatt;

(4) Which operates in parallel with the utility’s transmission and distribution facilities;

(5) Which is intended primarily to offset all or part of the customer-generator’s requirements for electricity on that property or

on contiguous property owned or leased by the customer-generator;

(6) Which is used for research and workforce training; and

(7) The construction or installation of which is commenced on or before December 31, 2011, and is completed on or before December 31, 2012 ~~H~~; or

(d) A low-income housing shared net metering system.

2. The term does not include a facility or energy system for the generation of electricity, *other than a low-income housing shared net metering system*, which has a generating capacity that exceeds the greater of:

(a) The limit on the demand that the class of customer of the customer-generator may place on the system of the utility; or

(b) One hundred percent of the customer-generator's annual requirements for electricity.

Sec. 12. NRS 704.773 is hereby amended to read as follows: 704.773 1. A utility shall offer net metering in accordance

with the provisions of NRS 704.766 to 704.776, inclusive, *and sections 2 to 7, inclusive, of this act* to the customer-generators operating within its service area.

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 25 kilowatts, the utility:

(a) Shall offer to make available to 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) Except as otherwise provided in subsection 7, shall not charge the customer-generator any fee or charge that is different than that charged to other customers of the utility in the rate class to which the customer-generator would belong if the customer-generator did not have a net metering system.

(d) Shall not reduce the minimum monthly charge of the customer-generator based on the electricity generated by the customer-generator and fed back to the utility.

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 25 kilowatts, the utility:

(a) May require the customer-generator *or, if the net metering system is a low-income housing shared net metering system, the owner of the low-income housing shared net metering system*, to install at its own cost:

(1) An energy meter that is capable of measuring generation output and customer load; and

(2) Any upgrades to the system of the utility that are required

to make the net metering system compatible with the system of the utility.

(b) Except as otherwise provided in paragraph (d) and subsection 7, shall not charge the customer-generator any fee or charge that is different than that charged to other customers of the utility in the rate class to which the customer-generator would belong if the customer-generator did not have a net metering system, including, without limitation, customer, demand and facility charges.

(c) Shall not reduce the minimum monthly charge of the customer-generator based on the electricity generated by the customer-generator and fed back to the utility.

(d) Shall not charge the customer-generator any standby charge.

4. At the time of installation or upgrade of any portion of a net metering system, the utility must allow a customer-generator governed by subsection 3 to pay the entire cost of the installation or upgrade of the portion of the net metering system.

5. Except as otherwise provided in subsections 2, 3 and 6 and NRS 704.7732, the utility shall not for any purpose assign a customer-generator to a rate class other than the rate class to which the customer-generator would belong if the customer-generator did not have a net metering system, including, without limitation, for the purpose of any fee or charge.

6. If the net metering system of a customer-generator is a net metering system described in paragraph (b) or (c) of subsection 1 of NRS 704.771 and:

(a) The system is intended primarily to offset part or all of the customer-generator's requirements for electricity on property contiguous to the property on which the net metering system is located; and

(b) The customer-generator sells or transfers his or her interest in the contiguous property,

☐ the net metering system ceases to be eligible to participate in net metering.

7. A utility shall assess against a customer-generator:

(a) If applicable, the universal energy charge imposed pursuant to NRS 702.160; and

(b) Any charges imposed pursuant to chapter 701B of NRS or NRS 704.7827 or 704.785 which are assessed against other customers in the same rate class as the customer-generator.

☐ For any such charges calculated on the basis of a kilowatt-hour rate, the customer-generator must only be charged with respect to kilowatt-hours of energy delivered by the utility to the customer-generator.

8. The Commission and the utility must allow a customer-generator who accepts the offer of the utility for net metering to

continue net metering pursuant to NRS 704.766 to 704.776, inclusive, *and sections 2 to 7, inclusive, of this act* at the location at which the net metering system is originally installed for 20 years. For the purposes of this subsection, “to continue net metering” includes, without limitation:

(a) Retaining the percentage set forth in subsection 3 of NRS 704.7732 to be used to determine the credit for electricity governed by paragraph (c) of subsection 2 of NRS 704.775, which is applicable to the customer-generator; and

(b) Replacing the originally installed net metering system, as needed, at any time before 20 years after the date of the installation of the originally installed net metering system.

9. The Commission shall adopt regulations prescribing the form and substance for a net metering tariff and a standard net metering contract. The regulations must include, without limitation:

(a) The particular provisions, limitations and responsibilities of a customer-generator which must be included in a net metering tariff with regard to:

- (1) Metering equipment;
- (2) Net energy metering and billing; and
- (3) Interconnection,

☑ based on the allowable size of the net metering system.

(b) The particular provisions, limitations and responsibilities of a customer-generator and the utility which must be included in a standard net metering contract.

(c) A timeline for processing applications and contracts for net metering applicants.

(d) Any other provisions the Commission finds necessary to carry out the provisions of NRS 704.766 to 704.776, inclusive **H**, *and sections 2 to 7, inclusive, of this act*.

10. The Commission shall adopt regulations prescribing the form and substance for a low-income housing shared net metering tariff or tariffs and a standard low-income housing shared net metering contract. The regulations must include, without limitation:

(a) The particular provisions, limitations and responsibilities of a customer-generator who is an owner of a low-income housing shared net metering system, a customer-generator who is a user of a low-income housing shared net metering system and the utility which must be included in a standard net metering contract.

(b) A provision authorizing the allocation by the owner of a low-income housing shared net metering system, in consultation with the owner of the qualified multifamily affordable housing property where the low-income housing shared net metering system is located, of the financial benefits of the electricity produced by the low-income housing shared net metering system

in a manner which ensures:

(1) In the case of individually metered tenant units, net metering credits are equitably allocated among the tenant units as a percentage of system production in proportion to the size of each unit measured in square feet; and

~~(2) In the case of master metered buildings, residents receive such financial benefits in the form of additional property amenities or services that are equitably accessible to all residents of the property.~~

~~► An equitable allocation of the financial benefits of the electricity produced by the low-income housing shared net metering system to the occupants does not preclude any allocation of the generation output to common area accounts.~~

(c) The manner in which the owner of a low-income housing shared net metering system may update the utility on the proper allocation of capacity and its associated production to various customer-generators and the frequency with which the owner may submit such updates, which must be not less than annually.

(d) The manner in which a utility is required to meter and bill customer-generators who are allocated shares of the capacity of a low-income housing net metering system, including, without limitation, the provision of net metering credits on the bill of a customer-generator.

(e) Provisions governing the interconnection of a low-income housing shared net metering system to the system of the utility without requiring the meters of individual users or owners of the low-income housing shared net metering system to be directly interconnected to the low-income housing shared net metering system, including, without limitation, fees for interconnections and procedures and timelines that are consistent with the procedures and timelines established for other net metering systems.

(f) Provisions limiting the number of low-income housing shared net metering systems to no more than 50 through December 31, 2025.

(g) Any other provisions the Commission finds necessary to carry out the provisions of NRS 704.766 to 704.776, inclusive, and sections 2 to 7, inclusive, of this act.

Sec. 13. NRS 704.7732 is hereby amended to read as follows:
704.7732 1. If a customer-generator accepts the offer of a

utility for net metering on or after June 15, 2017, and the net metering system of the customer-generator has a capacity of not more than 25 kilowatts ~~or~~ **or** the customer-generator is a user or owner of a low-income housing shared net metering system, the utility must, in accordance with this section, provide to the customer-generator a credit for each kilowatt-hour of excess

electricity governed by paragraph (c) of subsection 2 of NRS 704.775 that is generated by the customer-generator ~~+~~ *or which represents the customer-generator's allocation of the excess electricity generated by a low-income housing shared net metering system.*

2. The credit for each kilowatt-hour of excess electricity described in subsection 1 must equal a percentage, as set forth in subsection 3, of the rate the customer-generator would have paid for a kilowatt-hour of electricity supplied by the utility at the time the customer-generator fed the kilowatt-hour of excess electricity back to the utility.

3. The percentage to be used to determine the credit pursuant to subsection 2 for each kilowatt-hour of excess electricity must equal:

(a) Ninety-five percent, if the customer-generator accepts the offer of the utility for net metering:

(1) On or after June 15, 2017; and

(2) Before the date on which the Commission determines and posts on its Internet website its determination that the cumulative installed capacity of all net metering systems in this State with a capacity of not more than 25 kilowatts for customer-generators who accepted the offer of the utility for net metering on or after June 15, 2017, is equal to 80 megawatts;

(b) Eighty-eight percent, if the customer-generator accepts the offer of the utility for net metering:

(1) On or after the date that the Commission determines that the condition set forth in subparagraph (2) of paragraph (a) has been met; and

(2) Before the date on which the Commission determines and posts on its Internet website its determination that the cumulative installed capacity of all net metering systems in this State with a generating capacity of not more than 25 kilowatts for customer generators who accepted the offer of the utility for net metering on or after the date described in subparagraph (1) is equal to 80 megawatts;

(c) Eighty-one percent, if the customer-generator accepts the offer of the utility for net metering:

(1) On or after the date that the Commission determines that the condition set forth in subparagraph (2) of paragraph (b) has been met; and

(2) Before the date on which the Commission determines and posts on its Internet website its determination that the cumulative installed capacity of all net metering systems in this State with a generating capacity of not more than 25 kilowatts for customer generators who accepted the offer of the utility for net metering on or after the date described in subparagraph (1) is equal to 80 megawatts;

(d) Seventy-five percent, if the customer-generator accepts the offer of the utility for net metering on or after the date that the Commission determines that the condition set forth in subparagraph (2) of paragraph (c) has been met.

4. On or before the 15th day of each calendar month, a utility shall post on its Internet website and report to the Commission the cumulative installed capacity of the net metering systems with a capacity of not more than 25 kilowatts for which a customer-generator has accepted the offer of that utility as of the close of business of the utility on the last business day of the immediately preceding calendar month.

5. Except as otherwise provided in this subsection, for the purposes of this section, a customer-generator shall be deemed to accept the offer of the utility for net metering on the date the customer-generator submits to the utility a complete application to install a net metering system within the service area of the utility. A customer-generator who accepted the offer of the utility for net metering before June 15, 2017, and whose net metering system has a capacity of not more than 25 kilowatts may, but is not required to, submit a request to be treated for all purposes, including, without limitation, for the purposes of subsection 3, as a customer-generator who accepted the offer of the utility for net metering on the date of submitting the request.

Sec. 14. NRS 704.775 is hereby amended to read as follows:
704.775 1. The billing period for net metering must be a monthly period.

2. 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 ~~H~~:

(1) *For a net metering system that serves only one meter, in accordance with normal metering practices.*

(2) *For a low-income housing shared net metering system that serves multiple meters, by measuring the total generation output of the low-income housing shared net metering system using a production meter. The utility shall:*

(I) *For capacity allocations to individually-metered accounts, calculate the total kilowatt-hour output associated with each user's allocated share of the low-income housing shared net metering system's production and deduct the allocated total kilowatt-hour output from each user's total measured consumption.*

~~(II) For premises that contain more than one master meter, calculate the total kilowatt-hour output associated with each master meter's allocated share of the production of the low-income housing shared net metering system and deduct the~~

~~allocated total kilowatt-hour output from each master meter's total measured consumption.~~

(b) If the electricity supplied by the utility exceeds the electricity generated by the customer-generator , *or the customer-generator's allocated share of the electricity generated by a low-income housing shared net metering system*, 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) Except as otherwise provided in NRS 704.7732, if the electricity generated by the customer-generator , *or the customer-generator's allocated share of the electricity generated by a low-income housing shared net metering system*, 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 the electricity provided to the other during the billing period.

(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 value of the excess electricity must not be used to reduce any other fee or charge imposed by the utility.

3. If the cost of purchasing and installing a net metering system was paid for:

(a) In whole or in part by a utility, the electricity generated by the net metering system 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.

(b) Entirely by a customer-generator, *including a customer-generator that is the owner of a low-income housing shared net metering system*, the Commission shall issue to the customer-generator portfolio energy credits for use within the system of portfolio energy credits adopted by the Commission pursuant to NRS 704.7821 and 704.78213 equal to the electricity generated by the net metering system.

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.

Sec. 15. NRS 704.940 is hereby amended to read as follows:
704.940 1. In a manufactured home park, mobile home park

or company town where the landlord or owner is billed by a gas or electric utility or an alternative seller and in turn charges the tenants or occupants of the dwellings for the service provided by the utility or alternative seller, and the park or town:

(a) Is equipped with individual meters for each lot, the landlord or owner shall not charge a tenant or occupant for that service at a rate higher than the rate paid by the landlord or owner.

(b) Is not equipped with individual meters for each lot, the landlord or owner shall prorate the cost of the service equally among the tenants of the park or occupants of the dwellings who use the service, but the prorated charges must not exceed in the aggregate the cost of the service to the landlord or owner.

2. In a manufactured home park, mobile home park or company town that:

(a) Is equipped with individual water meters for each lot, the individual meters must be read and billed by the purveyor of the water.

(b) Is not equipped with individual water meters for each lot and the landlord or owner is billed by the purveyor of the water and in turn charges the tenants or occupants of the dwellings for the service provided by the purveyor, the landlord or owner shall prorate the cost of the service equally among the tenants of the park or occupants of the dwellings who use the service, but the prorated charges must not exceed in the aggregate the cost of the service to the landlord or owner.

☐ The landlord or owner of a manufactured home park or mobile home park that converts from a master-metered water system to individual water meters for each mobile home lot shall not charge or receive any fee, surcharge or rent increase to recover from the landlord's or owner's tenants the costs of the conversion. The owner of a company town that is not equipped with individual water meters shall not convert from the master-metered water system to individual water meters.

3. To the extent that the cost of providing a utility service to the common area of a manufactured home park, mobile home park or company town can be identified, the landlord or owner may not recover the cost of the utility service provided to the common area by directly charging a tenant or the occupant of a dwelling for those services.

4. The landlord of a manufactured home park or mobile home park or owner of a company town may assess and collect a charge to reimburse the landlord or owner for the actual cost of the service charge the landlord or owner is required to pay to a water utility serving the park or town. If the landlord or owner collects such a charge, the landlord or owner shall prorate the actual cost of the service charge to the tenants or occupants of dwellings who use the service. The landlord or owner shall not collect more than the aggregate cost of the service to the landlord or owner.

5. The landlord may assess and collect a service charge from the tenants of the park for the provision of gas and electric utility services, but the amount of the charge must not be more than the tenants would be required to pay the utility or alternative seller providing the service. The landlord shall:

(a) Keep the money from the service charges in a separate account and expend it only for federal income taxes which must be paid as a result of the collection of the service charge, for preventive maintenance or for repairing or replacing utility lines or equipment when ordered or granted permission to do so by the Commission; and

(b) Retain for at least 3 years a complete record of all deposits and withdrawals of money from the account and file the record with the Commission on or before March 30 of each year.

6. Money collected by the landlord or owner for service provided by a utility or an alternative seller to the tenants of a manufactured home park or mobile home park or occupants of the dwellings may not be used to maintain, repair or replace utility lines or equipment serving the common area of the manufactured home park, mobile home park or company town.

7. The owner of a company town who provides a utility service directly to the occupants of the town may charge the occupants their pro rata share of the owner's cost of providing that service. Where meters are available, the pro rata share must be based on meter readings. Where meters are not available, the owner shall determine a fair allocation which must be explained in detail to the Commission in the reports required by NRS 704.960. The Commission may modify the allocation in accordance with its regulations if it determines the owner's method not to be fair. The Commission shall adopt regulations governing the determination of

the costs which an owner of a company town may recover for providing a utility service directly to the occupants of that town and the terms and conditions governing the provision of that service.

8. The landlord or owner shall itemize all charges for utility services on all bills for rent or occupancy. The landlord or owner may pass through to the tenant or occupant any increase in a rate for a utility service and shall pass through any decrease in a charge for a utility service as it becomes effective.

9. The landlord or owner shall retain for at least 3 years a copy of all billings for utility services made to the tenants or the occupants of the landlord's or owner's dwellings and shall make these records available upon request to the Commission for verification of charges made for utility services.

10. A landlord whose interest in a manufactured home park or mobile home park terminates for any reason shall transfer to the landlord's successor in interest any balance remaining in the account for service charges for utilities. Evidence of the transfer must be filed with the Commission.

11. The Commission may at any time examine all books and records which relate to the landlord's or owner's purchase of or billing for a service provided by a utility or an alternative seller if the landlord or owner is charging the tenants of the manufactured home park or mobile home park or occupants of the dwellings for that service.

12. The provisions of this section do not apply to the owner or operator of a low-income housing shared net metering system, except that:

(a) If the owner of a low-income housing shared net metering system is the landlord of a qualified multifamily affordable housing property in which the tenant units are equipped with individual meters, the owner of the low-income housing shared net metering system must follow any applicable federal laws or regulations to ensure that the owner of the low-income housing shared net metering system does not charge a tenant or occupant for utility service at a rate that is higher than the rate paid by the owner of the low-income housing shared net metering system.

(b) A landlord who is the owner or operator of a low-income housing shared net metering system shall ensure that the financial benefits of the electricity produced by the low-income housing shared net metering system are allocated among the tenant units in a manner that is equitable as required pursuant to NRS 704.773.

Sec. 15.5. NRS 704.7865 is hereby amended to read as follows:

1. An electric utility shall offer an expanded solar access program to eligible customers within its service area in accordance with the provisions of this section. The size of the expanded solar access program shall not exceed:

(a) For an electric utility that primarily serves densely populated counties, a total capacity of 240,000 megawatt-hours; and

(b) For an electric utility that primarily serves less densely populated counties, a total capacity of 160,000 megawatt-hours.

2. The Commission shall adopt regulations establishing standards for the expanded solar access program. The regulations must:

(a) Advance the development of solar energy resources in this State, including, without limitation, utility scale and community-based solar resources;

(b) Provide for the expanded solar access program to include a reasonable mixture of community-based solar resources and utility scale solar resources;

(c) Provide a plan for community participation in the siting and naming of community-based solar resources;

(d) Provide for solar workforce innovations and opportunity programs related to the construction, maintenance and operation of solar resources, including opportunities for workforce training, apprenticeships or other job opportunities at community-based solar resources;

(e) Provide for equitably broadened access to solar energy;

(f) Provide for the creation of an expanded solar access program rate for participating eligible customers that:

(1) Is based, among other factors, on a new utility scale solar resource accepted by the Commission in an order issued pursuant to NRS 704.751, as approved by the Commission;

(2) Is a fixed rate that replaces the base tariff energy rate and deferred accounting adjustment charged by the electric utility for participating customers and which is adjusted in accordance with the Commission's quarterly calculations;

(3) For low-income eligible customers, provides for a lower rate, the cost of which must be allocated across all of the rate classes of the utility;

(4) For eligible customers who are not low-income eligible customers, provides stability and predictability and the opportunity for a lower rate; and

(5) Includes for all participating customers any other applicable charges including, without limitation, the universal energy charge, franchise fees, the renewable energy program rate and base tariff general rates, except that the Commission may reduce one or more of these charges for low-income eligible customers to ensure that such customers receive a lower rate pursuant to subparagraph (3);

(g) Establish a process for identifying noncontiguous geographic locations for community-based solar resources which, to the extent practicable, must be located in communities with higher levels of low-income eligible customers;

(h) Provide for the use of at least one utility scale solar resource and at least three but not more than ten community-based solar resources within the service territory of the electric utility;

(i) Require not less than 50 percent of the employees engaged or anticipated to be engaged in construction of community-based solar resources to be residents of this State, which residency may be demonstrated, without limitation, by a notarized statement of the employee that he or she is a resident of this State;

(j) Provide for a mechanism for the host sites of community-based solar resources to receive compensation from the utility for the use of such site;

(k) Provide for the use of a combination of new and other renewable energy facilities, which may be either utility scale or community-based solar resources, that were submitted to the Commission for approval after May 1, 2018, and that were not placed into operation before April 1, 2020;

(l) Provide for an application and selection process for eligible customers to participate in the program;

(m) Ensure reasonable and equitable participation by eligible customers within the service area of the electric utility;

(n) Ensure that eligible customers are able to participate in the program regardless of whether the customer owns, rents or leases the customer's premises;

(o) Require that:

(1) Twenty-five percent of the capacity of the program, as provided in subsection 1, be reserved for low-income eligible customers;

(2) Twenty-five percent of the capacity of the program, as provided in subsection 1, be reserved for disadvantaged businesses and nonprofit organizations; and

(3) Fifty percent of the capacity of the program, as provided in subsection 1, be reserved for eligible customers who are fully bundled residential customers who own, rent or lease their residence and who certify in a statement which satisfies the requirements established by the Commission pursuant to paragraph (p) that they cannot install solar resources on their premises;

(p) Establish the requirements for a fully bundled residential customer to certify that he or she cannot install solar resources on his or her premises; and

(q) Establish standards for the form, content and manner of submission of an electric utility's plan for implementing the expanded solar access program.

3. An electric utility shall file a plan for implementing the expanded solar access program in accordance with the regulations adopted by the Commission pursuant to subsection 2.

4. The Commission shall review the plan for the implementation of the expanded solar access program submitted pursuant to subsection 3 and issue an order approving, with or without modifications, or denying the plan within 210 days. The Commission may approve the plan if it finds that the proposed expanded solar access program complies with the regulations adopted by the Commission pursuant to subsection 2.

5. In administering the provisions of this section, the electric utility and the Commission shall establish as the preferred sites for utility scale development of solar energy resources pursuant to this section brownfield sites and land designated by the Secretary of the Interior as Solar Energy Zones and held by the Bureau of Land Management.

6. The rate for low-income eligible customers established pursuant to NRS 704.7865(2)(f)(3) shall also apply to low-income customers served by a qualified low-income economic benefit project, provided the qualified low-income economic benefit project is owned by the electric utility and the electric utility mitigates the costs to customers of developing the qualified low-income economic benefit project by utilizing available federal tax credits.

7. As used in this section:

(a) “Brownfield site” has the meaning ascribed to it in 42 U.S.C. § 9601.

(b) “Community-based solar resource” means a solar resource which has a nameplate capacity of not more than 5 megawatt and is owned and operated by the electric utility and connected to and used as a component of the distribution system of the electric utility.

(c) “Disadvantaged business” means a business for which:

(1) Fifty-one percent or more of the owners are women, veterans, members of a racial or ethnic minority group or otherwise part of a traditionally underrepresented group; and

(2) None of the owners has a net worth of more than \$250,000, not including the equity held in the business or in a primary residence.

(d) “Electric utility” has the meaning ascribed to it in NRS 704.187.

(e) “Electric utility that primarily serves densely populated counties” has the meaning ascribed to it in NRS 704.110.

(f) “Electric utility that primarily serves less densely populated counties” has the meaning ascribed to it in NRS 704.110.

(g) “Eligible customer” means:

(1) A fully bundled general service customer; or

(2) A fully bundled residential customer of a utility.

(h) “Fully bundled customer” means a customer of an electric utility who receives energy, transmission, distribution and ancillary services from an electric utility.

(i) “Fully bundled general service customer” means a fully bundled customer who is a nonresidential customer with a kilowatt-hour consumption that does not exceed 10,000 kilowatt-hours per month.

(j) “Fully bundled residential customer” means a fully bundled customer who is a single-family or a multifamily residential customer.

(k) “Low-income eligible customer” means a natural person or household who is a fully bundled residential customer of a utility and has an income of not more than 80 percent of the area median income based on the guidelines published by the United States Department of Housing and Urban Development.

(l) “Qualified low-income economic benefit project” has the meaning ascribed in Section 13103 of the Inflation Reduction Act of 2022, Pub. L. No. 117-169.

(~~m~~) “Solar Energy Zone” means an area identified and designated by the Bureau of Land Management as an area well-suited for utility-scale production of solar energy, and where the Bureau of Land Management will prioritize solar energy and associated transmission infrastructure development.

(~~n~~) “Solar resource” means a facility or energy system that uses a solar photovoltaic device to generate electricity.

(~~o~~) “Solar workforce innovations and opportunity program” means a workforce education, training and job placement program developed by the Department of Employment, Training and Rehabilitation and its appropriate industry sector council in conjunction with potential employers and community stakeholders.

(~~p~~) “Utility scale solar resource” means a solar resource which has a nameplate capacity of at least 50 megawatts and is interconnected directly to a substation of the electric utility through a generation step-up transformer.

Sec. 16. 1. This section becomes effective upon passage and approval.

2. Sections 1 to ~~15~~ **15.5**, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act.

(b) On January 1, 2024, for all other purposes.