

Committee Action:
Do Pass _____
Amend & Do Pass _____
Other _____

Assembly Committee on Commerce and Labor

This measure may be considered for action during today's work session.

May 25, 2015

SENATE BILL 374 (R2)

Revises provisions relating to energy. (BDR 58-800)

Sponsored by: Senator Farley
Date Heard: May 20, 2015
Fiscal Impact: Effect on Local Government: No.
Effect on the State: Yes.

Senate Bill 374 prohibits the Director of the Office of Energy and a governing body of a local government from adopting a standard mandating requirement for air changes per hour that is outside certain ranges. The adoption of certain energy conservation standards by the Office of Energy and a governing body is not deemed to prohibit the Director or governing body from approving and implementing certain energy efficiency programs related to new residential construction.

Senate Bill 374 requires an electric utility to offer net metering to customers who install net metering systems on or after the date on which the cumulative capacity of all net metering systems operating in this State is equal to 3 percent of the total peak capacity of all electric utilities in this State in accordance with a tariff filed by the electric utility and approved by the Public Utilities Commission of Nevada. The measure sets forth the authority of the Commission relative to the approval of such tariffs. An electric utility must submit the proposed tariff to the Commission not later than July 31, 2015, and the Commission must review and approve or disapprove each such proposed tariff not later than December 31, 2015. The bill allows the Commission to charge net metering customers time-of-use rates. In addition, an electric utility must include in an integrated resource plan an analysis of the effects of net metering on the reliability of the distribution system and the costs to the utility to provide electric service to all customers.

Amendments: The attached amendment, submitted by Senators Atkinson, Farley, and Settlemeyer, removes the requirement that the utility offer net metering to customer-generators until the cumulative capacity of all net metering systems operating in the State is equal to 3 percent of the total peak capacity of all utilities. Instead, the amendment requires the utility to offer net metering to customer-generators until the cumulative capacity of all net metering systems, for which all utilities in this State have accepted or approved completed applications for net metering, is equal to 235 megawatts. After the date on which the cumulative capacity requirement is met, the utility is

required to offer net metering in accordance with a tariff filed by the utility pursuant to the bill and approved by the Commission.

The amendment also allows the Commission to determine if the tariff approved under this bill should apply to customer-generators who have accepted an offer of net metering before the cumulative capacity is met. Additionally, it removes language that would have allowed the Commission to approve a net metering tariff at its discretion and without a hearing. The amendment provides that, in the event a court order prohibits the issuance of a written order by the Commission or the approval of a tariff, or stays or prohibits the enforcement of a written order of the Commission, the utility is not required to continue offering net metering past the date upon which the cumulative capacity requirement is reached.

Finally, the amendment provides clarification that a tariff approved under this bill cannot take effect until after the date on which the cumulative capacity requirement is met. If the Commission does not approve the required net metering tariff by December 31, 2015, beginning on January 1, 2016, the utility shall offer net metering to customer-generators in the manner consistent with current law.

MOCK-UP

PROPOSED AMENDMENT 7656 TO
SENATE BILL NO. 374
SECOND REPRINT

PREPARED FOR SENATORS FARLEY, SETTELMEYER AND ATKINSON
MAY 25, 2015

PREPARED BY THE LEGAL DIVISION

NOTE: THIS DOCUMENT SHOWS PROPOSED AMENDMENTS IN CONCEPTUAL FORM. THE LANGUAGE AND ITS PLACEMENT IN THE OFFICIAL AMENDMENT MAY DIFFER.

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.

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

- 1 **Section 1.** NRS 701.220 is hereby amended to read as follows:
2 701.220 1. The Director shall adopt regulations for the conservation
3 of energy in buildings, including manufactured homes. ~~Such~~ *Except as*
4 *otherwise provided in subsection 5, such* regulations must include the
5 adoption of the most recent version of the International Energy
6 Conservation Code, issued by the International Code Council, and any
7 amendments to the Code that will not materially lessen the effective
8 energy savings requirements of the Code and are deemed necessary to
9 support effective compliance and enforcement of the Code, and must
10 establish the minimum standards for:
11 (a) The construction of floors, walls, ceilings and roofs;
12 (b) The equipment and systems for heating, ventilation and
13 air-conditioning;
14 (c) Electrical equipment and systems;
15 (d) Insulation; and
16 (e) Other factors which affect the use of energy in a building.

1 ↪ The regulations must provide for the adoption of the most recent version
2 of the International Energy Conservation Code, and any amendments
3 thereto, every third year.

4 2. The Director may exempt a building from a standard if the Director
5 determines that application of the standard to the building would not
6 accomplish the purpose of the regulations.

7 3. The regulations must authorize allowances in design and
8 construction for sources of renewable energy used to supply all or a part of
9 the energy required in a building.

10 4. The standards adopted by the Director are the minimum standards
11 for the conservation of energy and energy efficiency in buildings in this
12 State. The governing body of a local government that is authorized by law
13 to adopt and enforce a building code:

14 (a) Except as otherwise provided in paragraph (b), shall incorporate the
15 standards adopted by the Director in its building code;

16 (b) ~~May~~ *Except as otherwise provided in subsection 5, may* adopt
17 higher or more stringent standards and must report any such higher or
18 more stringent standards, along with supporting documents, to the
19 Director; and

20 (c) Shall enforce the standards adopted.

21 5. *The Director or the governing body of a local government shall*
22 *not adopt a standard ~~for code~~ which mandates a requirement for air*
23 *changes per hour that is outside the following ranges:*

24 (a) *Less than 4 1/2 or more than 7 air changes per hour for an*
25 *attached residence or any residence for which fire sprinklers are*
26 *installed; or*

27 (b) *Less than 4 or more than 7 air changes per hour for any*
28 *residence other than a residence described in paragraph (a).*

29 6. *A design professional who complies with the standards adopted*
30 *by the Director or the governing body of a local government pursuant to*
31 *this section is not subject to disciplinary action by the State Board of*
32 *Architecture, Interior Design and Residential Design pursuant to*
33 *paragraph (f) of subsection 1 of NRS 623.270 or the State Board of*
34 *Professional Engineers and Land Surveyors pursuant to NRS 625.410.*

35 7. *Nothing in this section shall be deemed to prohibit the Director or*
36 *the governing body of a local government from approving and*
37 *implementing a program for the purpose of increasing energy efficiency*
38 *in new residential construction through the use of sample inspections.*

39 8. The Director shall solicit comments regarding the adoption of
40 regulations pursuant to this section from:

41 (a) Persons in the business of constructing and selling homes;

42 (b) Contractors;

43 (c) Public utilities;

44 (d) Local building officials; and

45 (e) The general public,

1 ↪ before adopting any regulations. The Director must conduct at least
2 three hearings in different locations in the State, after giving 30 days'
3 notice of each hearing, before the Director may adopt any regulations
4 pursuant to this section.

5 *9. As used in this section, "design professional" means a person*
6 *who holds a professional license or certificate issued pursuant to chapter*
7 *623 or 625 of NRS.*

8 **Sec. 2.** (Deleted by amendment.)

9 **Sec. 2.3.** Chapter 704 of NRS is hereby amended by adding thereto a
10 new section to read as follows:

11 *1. Except as otherwise provided in subsection 3, each electric utility*
12 *shall, in accordance with a tariff filed by the electric utility and approved*
13 *by the Commission, offer net metering to customer-generators who ~~from~~*
14 *~~or~~ submit applications to install net metering systems within its service*
15 *territory after the date on which the cumulative capacity requirement*
16 *described in paragraph (a) of subsection 1 of NRS 704.773 is met . ~~to~~*
17 *~~install net metering systems within its service territory.~~*

18 *2. For the purposes of evaluating and approving any tariff filed with*
19 *the Commission pursuant to subsection 1 and otherwise carrying out the*
20 *provisions of this section, the Commission:*

21 *(a) May establish one or more rate classes for customer-generators.*

22 *(b) May establish terms and conditions for the participation by*
23 *customer-generators in net metering, including, without limitation,*
24 *limitations on enrollment in net metering which the Commission*
25 *determines are appropriate to further the public interest.*

26 *(c) May close to new customer-generators a tariff filed pursuant to*
27 *subsection 1 and approved by the Commission if the Commission*
28 *determines that closing the tariff to new customer-generators is in the*
29 *public interest.*

30 *(d) May authorize an electric utility to establish just and reasonable*
31 *rates and charges to avoid, reduce or eliminate an unreasonable shifting*
32 *of costs from customer-generators to other customers of the electric*
33 *utility.*

1 (e) Shall not approve a tariff filed pursuant to subsection 1 or
2 authorize any rates or charges for net metering that unreasonably shift
3 costs from customer-generators to other customers of the electric utility.

4 ~~3. To avoid a significant disruption of the net metering market, the
5 Commission may, in its discretion and without a hearing, approve a
6 tariff submitted pursuant to subsection 1 subject to any requirements
7 relating to adjustments which the Commission may impose. In approving
8 a tariff pursuant to this subsection, the Commission may solicit
9 comments from any interested parties and may substitute for any rates,
10 terms or conditions contained in the tariff submitted by the electric utility
11 such rates, terms and conditions as the Commission determines are just
12 and reasonable.~~

13 ~~4.] In approving any tariff submitted pursuant to subsection 1, the
14 Commission shall determine whether and the extent to which any tariff
15 approved or rates or charges authorized pursuant to this section are
16 applicable to customer-generators who, on or before the date on which
17 the cumulative capacity requirement described in paragraph (a) of
18 subsection 1 of NRS 704.773 is met, submitted a complete application to
19 install a net metering system within the service territory of an electric
20 utility.~~

21 4. As used in this section, "electric utility" has the meaning ascribed
22 to it in NRS 704.187.

23 **Sec. 2.5.** NRS 704.085 is hereby amended to read as follows:

24 704.085 1. ~~[An]~~ Except as otherwise provided in subsection 2, an
25 electric utility shall not make changes in any schedule or impose any rate,
26 and the Commission shall not approve any changes in any schedule or
27 authorize the imposition of any rate by an electric utility, which requires a
28 residential customer to purchase electric service at a rate which is based on
29 the time of day, day of the week or time of year during which the
30 electricity is used or which otherwise varies based upon the time during
31 which the electricity is used, except that the Commission may approve
32 such a change in a schedule or authorize the imposition of such a rate if the
33 approval or authorization is conditioned upon an election by a residential
34 customer to purchase electric service at such a rate.

35 2. *The provisions of subsection 1 do not apply to any changes in a
36 schedule or rates imposed on a customer-generator.*

37 3. As used in this section ~~[, "electric]~~ :

38 (a) "Customer-generator" has the meaning ascribed to it in NRS
39 704.768.

40 (b) "Electric utility" has the meaning ascribed to it in
41 NRS 704.187.

42 **Sec. 2.7.** NRS 704.741 is hereby amended to read as follows:

43 704.741 1. A utility which supplies electricity in this State shall, on
44 or before July 1 of every third year, in the manner specified by the

1 Commission, submit a plan to increase its supply of electricity or decrease
2 the demands made on its system by its customers to the Commission.

3 2. The Commission shall, by regulation:

4 (a) Prescribe the contents of such a plan, including, but not limited to,
5 the methods or formulas which are used by the utility to:

6 (1) Forecast the future demands; and

7 (2) Determine the best combination of sources of supply to meet the
8 demands or the best method to reduce them; and

9 (b) Designate renewable energy zones and revise the designated
10 renewable energy zones as the Commission deems necessary.

11 3. The Commission shall require the utility to include in its plan:

12 (a) An energy efficiency program for residential customers which
13 reduces the consumption of electricity or any fossil fuel and which
14 includes, without limitation, the use of new solar thermal energy sources .

15 ~~[- and]~~

16 (b) A comparison of a diverse set of scenarios of the best combination
17 of sources of supply to meet the demands or the best methods to reduce the
18 demands, which must include at least one scenario of low carbon intensity

19 ~~[-]~~ *that includes the deployment of distributed generation.*

20 (c) *An analysis of the effects of the requirements of NRS 704.766 to*
21 *704.775, inclusive, and section 2.3 of this act on the reliability of the*
22 *distribution system of the electric utility and the costs to the electric*
23 *utility to provide electric service to all customers. The analysis must*
24 *include an evaluation of the costs and benefits of addressing issues of*
25 *reliability through investment in the distribution system.*

26 4. The Commission shall require the utility to include in its plan a
27 plan for construction or expansion of transmission facilities to serve
28 renewable energy zones and to facilitate the utility in meeting the portfolio
29 standard established by NRS 704.7821.

30 5. As used in this section:

31 (a) “Carbon intensity” means the amount of carbon by weight emitted
32 per unit of energy consumed.

33 (b) “Renewable energy zones” means specific geographic zones where
34 renewable energy resources are sufficient to develop generation capacity
35 and where transmission constrains the delivery of electricity from those
36 resources to customers.

37 **Sec. 2.9.** NRS 704.767 is hereby amended to read as follows:

38 704.767 As used in NRS 704.766 to 704.775, inclusive, *and section*
39 *2.3 of this act*, unless the context otherwise requires, the words and terms
40 defined in NRS 704.7675 to 704.772, inclusive, have the meanings
41 ascribed to them in those sections.

42 **Sec. 2.95.** NRS 704.773 is hereby amended to read as follows:

43 704.773 1. A utility shall offer net metering ~~[- as set forth in]~~ :

44 (a) In accordance with the provisions of this section and NRS
45 704.775, to the customer-generators operating within its service area until

1 the date on which the cumulative capacity of all net metering systems
2 ~~operating in this State is equal to 3 percent of the total peak capacity of~~
3 for which all utilities in this State ~~have~~ have accepted or approved
4 completed applications for net metering is equal to 235 megawatts.

5 (b) After the date on which the cumulative capacity requirement
6 described in paragraph (a) is met, in accordance with a tariff filed by the
7 utility and approved by the Commission pursuant to section 2.3 of this
8 act.

9 2. If the net metering system of a customer-generator who accepts the
10 offer of a utility for net metering has a capacity of not more than 25
11 kilowatts, the utility:

12 (a) Shall offer to make available to the customer-generator an energy
13 meter that is capable of registering the flow of electricity in two directions.

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

17 (c) Except as otherwise provided in subsection 5, shall not charge a
18 customer-generator any fee or charge that would increase the customer-
19 generator's minimum monthly charge to an amount greater than that of
20 other customers of the utility in the same rate class as the customer-
21 generator.

22 3. If the net metering system of a customer-generator who accepts the
23 offer of a utility for net metering has a capacity of more than 25 kilowatts,
24 the utility:

25 (a) May require the customer-generator to install at its own cost:

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

28 (2) Any upgrades to the system of the utility that are required to
29 make the net metering system compatible with the system of the utility.

30 (b) Except as otherwise provided in paragraph (c) and subsection 5,
31 may charge the customer-generator any applicable fee or charge charged to
32 other customers of the utility in the same rate class as the customer-
33 generator, including, without limitation, customer, demand and facility
34 charges.

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

36 ↪ At the time of installation or upgrade of any portion of a net metering
37 system, the utility must allow a customer-generator governed by this
38 subsection to pay the entire cost of the installation or upgrade of the
39 portion of the net metering system.

40 4. If the net metering system of a customer-generator is a net
41 metering system described in paragraph (b) or (c) of subsection 1 of NRS
42 704.771 and:

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

1 (b) The customer-generator sells or transfers his or her interest in the
2 contiguous property,
3 ↪ the net metering system ceases to be eligible to participate in net
4 metering.

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

6 (a) If applicable, the universal energy charge imposed pursuant to NRS
7 702.160; ~~and~~

8 (b) Any charges imposed pursuant to chapter 701B of NRS or NRS
9 704.7827 or 704.785 which are assessed against other customers in the
10 same rate class as the customer-generator ~~and~~; and

11 (c) The charges or rates, if any, which the Commission determines
12 must be assessed against the customer-generator pursuant to any tariff
13 submitted to and approved by the Commission pursuant to section 2.3 of
14 this act.

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

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

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

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

27 ↪ based on the allowable size of the net metering system.

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

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

33 (d) Any other provisions the Commission finds necessary to carry out
34 the provisions of NRS 704.766 to 704.775, inclusive.

35 **Sec. 3.** NRS 623.270 is hereby amended to read as follows:

36 623.270 1. ~~The~~ **Except as otherwise provided in subsection 6 of**
37 **NRS 701.220, the** Board may place the holder of any certificate of
38 registration issued pursuant to the provisions of this chapter on probation,
39 publicly reprimand the holder of the certificate, impose a fine of not more
40 than \$10,000 against him or her, suspend or revoke his or her license,
41 impose the costs of investigation and prosecution upon him or her or take
42 any combination of these disciplinary actions for any of the following acts:

43 (a) The certificate was obtained by fraud or concealment of a material
44 fact.

1 (b) The holder of the certificate has been found guilty by the Board or
2 found guilty or guilty but mentally ill by a court of justice of any fraud,
3 deceit or concealment of a material fact in his or her professional practice,
4 or has been convicted by a court of justice of a crime involving moral
5 turpitude.

6 (c) The holder of the certificate has been found guilty by the Board of
7 incompetency, negligence or gross negligence in:

- 8 (1) The practice of architecture or residential design; or
- 9 (2) His or her practice as a registered interior designer.

10 (d) The holder of a certificate has affixed his or her signature or seal to
11 plans, drawings, specifications or other instruments of service which have
12 not been prepared by the holder of the certificate or in his or her office, or
13 under his or her responsible control, or has permitted the use of his or her
14 name to assist any person who is not a registered architect, registered
15 interior designer or residential designer to evade any provision of this
16 chapter.

17 (e) The holder of a certificate has aided or abetted any unauthorized
18 person to practice:

- 19 (1) Architecture or residential design; or
- 20 (2) As a registered interior designer.

21 (f) The holder of the certificate has violated any law, regulation or
22 code of ethics pertaining to:

- 23 (1) The practice of architecture or residential design; or
- 24 (2) Practice as a registered interior designer.

25 (g) The holder of a certificate has failed to comply with an order issued
26 by the Board or has failed to cooperate with an investigation conducted by
27 the Board.

28 2. The conditions for probation imposed pursuant to the provisions of
29 subsection 1 may include, but are not limited to:

- 30 (a) Restriction on the scope of professional practice.
- 31 (b) Peer review.
- 32 (c) Required education or counseling.
- 33 (d) Payment of restitution to each person who suffered harm or loss.

34 3. An order that imposes discipline and the findings of fact and
35 conclusions of law supporting that order are public records.

36 4. The Board shall not privately reprimand the holder of any
37 certificate of registration issued pursuant to this chapter.

38 5. As used in this section:

39 (a) "Gross negligence" means conduct which demonstrates a reckless
40 disregard of the consequences affecting the life or property of another
41 person.

42 (b) "Incompetency" means conduct which, in:

- 43 (1) The practice of architecture or residential design; or
- 44 (2) Practice as a registered interior designer,

1 ↪ demonstrates a significant lack of ability, knowledge or fitness to
2 discharge a professional obligation.

3 (c) "Negligence" means a deviation from the normal standard of
4 professional care exercised generally by other members in:

5 (1) The profession of architecture or residential design; or

6 (2) Practice as a registered interior designer.

7 **Sec. 4.** NRS 625.410 is hereby amended to read as follows:

8 625.410 ~~[The]~~ *Except as otherwise provided in subsection 6 of NRS*
9 *701.220, the* Board may take disciplinary action against a licensee, an
10 applicant for licensure, an intern or an applicant for certification as an
11 intern for:

12 1. The practice of any fraud or deceit in obtaining or attempting to
13 obtain or renew a license or cheating on any examination required by this
14 chapter.

15 2. Any gross negligence, incompetency or misconduct in the practice
16 of professional engineering as a professional engineer or in the practice of
17 land surveying as a professional land surveyor.

18 3. Aiding or abetting any person in the violation of any provision of
19 this chapter or regulation adopted by the Board.

20 4. Conviction of or entry of a plea of nolo contendere to any crime an
21 essential element of which is dishonesty or which is directly related to the
22 practice of engineering or land surveying.

23 5. A violation of any provision of this chapter or regulation adopted
24 by the Board.

25 6. Discipline by another state or territory, the District of Columbia, a
26 foreign country, the Federal Government or any other governmental
27 agency, if at least one of the grounds for discipline is the same or
28 substantially equivalent to any ground contained in this chapter.

29 7. Practicing after the license of the professional engineer or
30 professional land surveyor has expired or has been suspended or revoked.

31 8. Failing to comply with an order issued by the Board.

32 9. Failing to provide requested information within 30 days after
33 receipt of a request by the Board or its investigators concerning a
34 complaint made to the Board.

35 **Sec. 4.5.** 1. Each electric utility shall, on or before July 31, 2015,
36 file with the Public Utilities Commission of Nevada a tariff required by
37 section 2.3 of this act and a cost-of-service study.

38 2. The tariff filed pursuant to subsection 1 must establish the terms
39 and conditions for net metering service for customer-generators who install
40 net metering systems within the service territory of the electric utility ~~for~~
41 ~~or~~ after the date on which the ~~[cumulative capacity requirement of~~
42 ~~subsection 1 of NRS 704.773 is met.]~~ tariff takes effect. The terms and
43 conditions of service must include, without limitation, the rates the electric
44 utility must charge for providing electric service to customer-generators.

1 3. The rates included in the terms and conditions of service
2 established pursuant to subsection 2 may include, without limitation:

3 (a) A basic service charge that reflects marginal fixed costs incurred by
4 the electric utility to provide service to customer-generators;

5 (b) A demand charge that reflects the marginal demand
6 costs incurred by the electric utility to provide service to
7 customer-generators; and

8 (c) An energy charge that reflects the marginal energy
9 costs incurred by the electric utility to provide service to
10 customer-generators.

11 ↪ The charges included pursuant to this subsection must
12 adequately reflect the marginal costs of providing service to customer-
13 generators.

14 4. The Public Utilities Commission of Nevada shall, in accordance
15 with the provisions of section 2.3 of this act, conduct a review of each
16 tariff filed by an electric utility pursuant to subsection 1 and issue a written
17 order approving or disapproving, in whole or in part, the proposed tariff
18 not later than December 31, 2015. The Commission may make
19 modifications to the tariff, including modifications to the rate design and
20 the terms and conditions of net metering services to customer-generators.

21 A tariff approved pursuant to this section cannot take effect until after
22 the date on which the cumulative capacity requirement described in
23 paragraph (a) of subsection 1 of NRS 704.773 is met. If for any reason
24 the Commission does not approve a tariff pursuant to section 2.3 of
25 this act on or before December 31, 2015, and notwithstanding the
26 amendatory provisions of this act to the contrary, for the period
27 beginning January 1, 2016, and ending on the date on which the
28 Commission does approve a tariff pursuant to section 2.3 of this act, a
29 utility shall offer net metering to customer-generators in the manner
30 consistent with the provisions of NRS 704.773 and 704.775 as those
31 sections existed before the effective date of this act.

32 5. If a court of competent jurisdiction issues an order prohibiting
33 the issuance of a written order by the Commission or the approval of a
34 tariff, or staying or prohibiting the enforcement of a written order of
35 the Commission, an electric utility is not required to continue offering
36 net metering after the date on which the cumulative capacity
37 requirement described in paragraph (a) of subsection 1 of NRS
38 704.773 is met until the order of the court has been lifted.

39 6. As used in this section:

40 (a) "Customer-generator" has the meaning ascribed to it in
41 NRS 704.768.

42 (b) "Demand costs" means those costs associated with the maximum
43 load requirement of a customer, such as kilowatt or kilo-volt amperes, and
44 which are typically represented by the electric utility's investment in
45 generating units, transmission facilities and the distribution system.

1 (c) "Electric utility" has the meaning ascribed to it in
2 NRS 704.187.

3 (d) "Energy costs" means those costs associated with a customer's
4 requirement for a volume of energy, such as fuel and purchased power
5 costs.

6 (e) "Fixed costs" means those investments and expenses that do not
7 vary with output and which typically reflect the electric utility's
8 investment in back office systems, customer facilities, customer-related
9 expenses and labor costs.

10 (f) "Net metering" has the meaning ascribed to it in
11 NRS 704.769.

12 (g) "Net metering system" has the meaning ascribed to it in NRS
13 704.771.

14 **Sec. 5.** This act becomes effective upon passage and approval.
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