

ASSEMBLY BILL NO. 405—ASSEMBLYMEN BROOKS, WATKINS, FRIERSON, YEAGER, MCCURDY II; ARAUJO, BILBRAY-AXELROD, CARRILLO, COHEN, DIAZ, FUMO, JAUREGUI, JOINER, MILLER, MONROE-MORENO, NEAL, SWANK AND THOMPSON

MARCH 20, 2017

JOINT SPONSOR: SENATOR SEGERBLOM

Referred to Committee on Commerce and Labor

SUMMARY—Establishes certain protections for and ensures the rights of a person who uses renewable energy in this State and revises provisions governing net metering. (BDR 52-959)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: Yes.

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

AN ACT relating to renewable energy; creating the contractual requirements for an agreement for the lease or purchase of a distributed generation system and a power purchase agreement; describing utility rates; establishing the minimum warranty requirements for an agreement concerning a distributed generation system; creating the Renewable Energy Bill of Rights; requiring certain electric utilities to file a request with the Public Utilities Commission of Nevada to establish an optional time-variant rate schedule for customers; requiring a utility to charge a net metering adjustment charge to certain customer-generators; requiring the Legislative Committee on Energy to make certain recommendations to the Legislature; revising provisions governing the eligibility of certain customers of electric utilities in this State to participate in net metering; providing a penalty; and providing other matters properly relating thereto.



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Legislative Counsel's Digest:

1 **Sections 9-11** of this bill set forth the requirements for the cover page,
2 provisions and summary disclosure statement of agreements for the lease of a
3 distributed generation system. **Sections 12-14** of this bill set forth the requirements
4 for the cover page, provisions and summary disclosure statement of agreements for
5 the purchase of a distributed generation system. **Sections 15-17** of this bill set forth
6 the requirements for the cover page, provisions and summary disclosure statement
7 of agreements for the sale of the output of a distributed generation system, known
8 as a power purchase agreement.

9 **Section 18** of this bill sets forth the disclosure relating to utility rates that must
10 be included with an agreement created pursuant to **sections 9-17** if the agreement
11 makes a written reference to the price of electricity that is provided by an electric
12 utility. **Section 19** of this bill sets forth the minimum warranty requirements for an
13 agreement created pursuant to **sections 9-17** concerning a distributed generation
14 system.

15 **Section 20** of this bill establishes that it is a deceptive trade practice if a person
16 fails to comply with **sections 2-20** of this bill. **Section 20** additionally establishes
17 that it is consumer fraud if a person violates any provision of **sections 2-20**. **Section**
18 **20** further requires that any document described in **sections 9-19** be provided in: (1)
19 English; or (2) Spanish, if any person so requests.

20 **Sections 22-25** of this bill create the Renewable Energy Bill of Rights that
21 applies to each natural person who is a resident of this State.

22 Existing law defines "net metering" as the measure of the difference between
23 the electricity supplied by an electric utility and the electricity generated by a
24 customer-generator that is fed back to the utility. (NRS 704.769) **Section 27** of this
25 bill requires electric utilities to file a request with the Public Utilities Commission
26 of Nevada to establish an optional time-variant rate schedule for customers,
27 including customer-generators that acquire an energy storage system. **Section 27**
28 further requires that such a request be designed to expand and accelerate the
29 development and use of energy storage systems in this State. **Section 27**
30 additionally authorizes the Commission to approve any such request that the
31 Commission finds to be in the public interest.

32 **Section 28** of this bill requires a utility to charge a net metering adjustment
33 charge to each customer-generator who accepts the offer of a utility for net
34 metering. **Section 28** requires that this net metering adjustment charge: (1) applies
35 to each kilowatt-hour of excess electricity that is generated by a customer-
36 generator; and (2) equals a percentage of the rate the customer-generator would
37 have paid for a kilowatt-hour of electricity supplied by the utility at the time the
38 customer-generator fed the kilowatt-hour of excess electricity back to the utility.
39 **Section 28** further provides that this percentage be tiered based on the amount of
40 cumulative installed capacity and peak demand for electricity in this State.

41 **Section 29** of this bill requires the Legislative Committee on Energy, in
42 consultation with the Commission, to make certain recommendations to the
43 Legislature within 6 months of the Commission determining that the cumulative
44 installed capacity of all net metering systems in this State exceeds 800 megawatts
45 and 10 percent of the peak demand for electricity in this State for the previous year.

46 Existing law requires each electric utility in this State to offer net metering to
47 customer-generators operating in the service area of the utility until the date on
48 which the cumulative capacity of all net metering systems in this State for which
49 electric utilities have accepted completed applications is 235 megawatts.
50 (NRS 704.773)

51 **Section 31** of this bill amends existing law to require each electric utility to
52 offer net metering to customer-generators operating within the service area of the
53 utility. **Section 31** further requires the utility to not: (1) charge the customer-
54 generator any fee or charge that is different than that charged to other customers of



55 the utility to which the customer-generator would belong if he or she did not have a
56 net metering system; and (2) reduce the amount of the minimum monthly charge of
57 the customer-generator based on the electricity the customer-generator feeds back
58 to the utility. **Section 31** additionally requires the Commission and a utility to allow
59 the customer-generator to continue net metering at the location at which the system
60 is originally installed for the life of the net metering system or for 20 years,
61 whichever is longer.

62 Existing law sets forth that after the date on which the cumulative capacity is
63 235 megawatts, electric utilities are to offer net metering to customer-generators in
64 accordance with a tariff filed by the utility and approved by the Commission. (NRS
65 704.7735) **Section 33** of this bill repeals this provision.

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

1 **Section 1.** Chapter 598 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 20, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 20, inclusive, of this act,*
5 *unless the context otherwise requires, the words and terms defined*
6 *in sections 3 to 8, inclusive, of this act have the meanings ascribed*
7 *to them in those sections.*

8 **Sec. 3.** *“Commission” means the Public Utilities*
9 *Commission of Nevada.*

10 **Sec. 3.5.** *“Disclosure” means a written statement.*

11 **Sec. 4.** *“Distributed generation system” means a system or*
12 *facility for the generation of electricity:*

- 13 1. *That uses solar energy to generate electricity;*
- 14 2. *That is located on the property of a customer of an electric*
15 *utility;*
- 16 3. *That is connected on the customer’s side of the electricity*
17 *meter;*
- 18 4. *That provides electricity primarily to offset customer load*
19 *on that property; and*
- 20 5. *The excess generation from which is periodically exported*
21 *to the grid in accordance with the provisions governing net*
22 *metering systems used by customer-generators pursuant to NRS*
23 *704.766 to 704.775, inclusive.*

24 **Sec. 5.** *“Host customer” means either:*

- 25 1. *The customer of record of an electric utility at the location*
26 *where an energy system that uses photovoltaic cells and solar*
27 *energy to generate electricity will be located; or*
- 28 2. *A person who has been designated by the customer of*
29 *record of an electric utility in a letter to the utility explaining the*
30 *relationship between that person and the customer of record.*



1 **Sec. 6.** *“Portfolio energy credit” has the meaning ascribed to*
2 *it in NRS 704.7803.*

3 **Sec. 7.** *“Power purchase agreement” means an agreement in*
4 *which a solar installation company:*

5 1. *Arranges for the design, installation, maintenance and*
6 *energy output of a distributed generation system; and*

7 2. *Sells the electricity generated from a distributed generation*
8 *system to the host customer.*

9 **Sec. 8.** 1. *“Solar installation company” means any form of*
10 *business organization or any other nongovernmental legal entity,*
11 *including, without limitation, a corporation, partnership,*
12 *association, trust or unincorporated organization, that transacts*
13 *business directly with a residential customer of an electric utility*
14 *to:*

15 (a) *Sell and install a distributed generation system; or*

16 (b) *Install a distributed generation system owned by a third*
17 *party from whom the customer:*

18 (1) *Leases a distributed generation system; or*

19 (2) *Purchases electricity generated by a distributed*
20 *generation system.*

21 2. *The term does not include entities that are third party:*

22 (a) *Owners of a distributed generation system; or*

23 (b) *Financiers of a distributed generation system who do not*
24 *sell or install the distributed generation system.*

25 **Sec. 9.** *An agreement for the lease of a distributed*
26 *generation system must include a cover page that provides the*
27 *following information in at least 10-point font:*

28 1. *The amounts due at the signing for and at the completion*
29 *of the installation or any inspection of the distributed generation*
30 *system.*

31 2. *An estimated timeline for the installation of the distributed*
32 *generation system.*

33 3. *The estimated amount of the monthly payments due under*
34 *the lease in the first year of operation of the distributed generation*
35 *system.*

36 4. *The length of the term of the lease.*

37 5. *A description of any warranties.*

38 6. *The rate of any payment increases.*

39 7. *The identification of any state or federal tax incentives that*
40 *are included in calculating the amount of the monthly payments*
41 *due under the lease.*

42 8. *The estimated production of the distributed generation*
43 *system in the first year of operation.*

44 9. *A description of the terms for renewal or any other options*
45 *available at the end of the term of the lease.*



1 **10. A description of any option to purchase the distributed**
2 **generation system before the end of the term of the lease.**

3 **11. Notice of the existence of the Recovery Fund**
4 **administered by the State Contractors' Board pursuant to**
5 **NRS 624.470.**

6 **12. Notice that a person financially damaged by a licensed**
7 **contractor who performs work on a residence may be eligible to**
8 **recover certain financial damages from the Recovery Fund.**

9 **13. Contact information for the State Contractors' Board,**
10 **including, without limitation, a telephone number.**

11 **Sec. 10. An agreement for the lease of a distributed**
12 **generation system must include, without limitation, the following**
13 **information in at least 10-point font:**

14 **1. The name, mailing address, telephone number and number**
15 **of the contractor's license of the solar installation company.**

16 **2. The name, mailing address and telephone number of:**

17 **(a) The lessor of the distributed generation system; and**

18 **(b) The name, mailing address and telephone number of the**
19 **person responsible for all maintenance of the distributed**
20 **generation system, if different from the solar installation**
21 **company.**

22 **3. An estimated timeline for the installation of the distributed**
23 **generation system.**

24 **4. The length of the term of the lease.**

25 **5. A general description of the distributed generation system.**

26 **6. The amounts due at the signing for and at the completion**
27 **of the installation or any inspection of the distributed generation**
28 **system.**

29 **7. A description of any warranties.**

30 **8. The amount of the:**

31 **(a) Monthly payments due under the lease; and**

32 **(b) Total payments due under the lease, excluding taxes.**

33 **9. A description of any other one-time or recurring charges,**
34 **including, without limitation, a description of the circumstances**
35 **that trigger any late fees.**

36 **10. A description of any obligation the lessor has regarding**
37 **the installation, repair or removal of the distributed generation**
38 **system.**

39 **11. A description of any obligation the lessor has regarding**
40 **construction of and insurance for the distributed generation**
41 **system.**

42 **12. A description of any:**

43 **(a) Taxes due at the commencement of the lease; and**



1 (b) *Estimation of taxes known to be applicable during the term*
2 *of the lease, subject to any change in the state or local tax rate or*
3 *tax structure.*

4 13. *A copy of the warranty for the distributed generation*
5 *system.*

6 14. *A disclosure notifying the lessee of the transferability of*
7 *the obligations under the warranty to a subsequent lessee.*

8 15. *The identification of any state or federal tax incentives*
9 *that are included in calculating the amount of the monthly*
10 *payments due under the lease.*

11 16. *A description of the ownership of any tax credits, tax*
12 *rebates, tax incentives or portfolio energy credits in connection*
13 *with the distributed generation system.*

14 17. *Any terms for renewal of the lease.*

15 18. *A description of any option to purchase the distributed*
16 *generation system before the end of the term of the lease.*

17 19. *A description of all options available to the host customer*
18 *in connection with the continuation, termination or transfer of the*
19 *lease in the event of the:*

20 (a) *Sale of the property to which the distributed generation*
21 *system is affixed; or*

22 (b) *Death of the lessee.*

23 20. *A description of any restrictions that the lease imposes on*
24 *the modification or transfer of the property to which the*
25 *distributed generation system is affixed.*

26 21. *The granting to the lessee of the right to rescind the lease*
27 *for a period ending not less than 3 business days after the lease is*
28 *signed.*

29 22. *An estimate of the amount of electricity that could be*
30 *generated by the distributed generation system in the first year of*
31 *operation.*

32 23. *A signature block that is signed and dated by the lessor*
33 *and the lessee of the distributed generation system.*

34 **Sec. 11.** *1. An agreement for the lease of a distributed*
35 *generation system must include a disclosure that is not more than*
36 *3 pages in length and is in at least 10-point font.*

37 2. *The disclosure described in subsection 1 must be separate*
38 *from the cover page and agreement described in sections 9 and 10*
39 *of this act.*

40 3. *The disclosure described in subsection 1 must include,*
41 *without limitation:*

42 (a) *The name, mailing address, telephone number and*
43 *electronic mail address of the lessor;*

44 (b) *The name, mailing address, telephone number, electronic*
45 *mail address and number of the contractor's license of the person*



- 1 *who installed the distributed generation system, if different from*
2 *the solar installation company;*
- 3 *(c) The name, mailing address, telephone number, electronic*
4 *mail address and the number of the contractor's license of the*
5 *person responsible for all maintenance of the distributed*
6 *generation system, if different from the solar installation*
7 *company;*
- 8 *(d) The length of the term of the lease;*
- 9 *(e) The amount of the monthly payments due under the lease*
10 *in the first year of operation;*
- 11 *(f) The amounts due at the signing for and at the completion*
12 *of the installation of the distributed generation system;*
- 13 *(g) The estimated amount of the total payments due under the*
14 *lease, including, without limitation, any incentives that are*
15 *included in the estimated lease payments;*
- 16 *(h) A description of any one-time or recurring fees, including,*
17 *without limitation, a description of the circumstances that trigger:*
- 18 *(1) Any late fees;*
- 19 *(2) Estimated fees for the removal of the distributed*
20 *generation system;*
- 21 *(3) Fees for a notice of removal and refiling pursuant to the*
22 *Uniform Commercial Code;*
- 23 *(4) Fees for connecting to the Internet; and*
- 24 *(5) Fees for not enrolling in a program in which payments*
25 *are made through an electronic transfer of money cleared through*
26 *an automated clearinghouse;*
- 27 *(i) The total number of payments to be made under the lease;*
- 28 *(j) The due date of any payment and the manner in which the*
29 *consumer will receive an invoice for such payments;*
- 30 *(k) The rate of any payment increases and the date on which*
31 *the first increase in the rate may occur, if applicable;*
- 32 *(l) Assumptions concerning the design of the distributed*
33 *generation system, including, without limitation:*
- 34 *(1) The size of the distributed generation system;*
- 35 *(2) The estimated amount of production for the distributed*
36 *generation system in the first year of operation;*
- 37 *(3) The estimated annual degradation to the distributed*
38 *generation system; and*
- 39 *(4) As specified by the lease at the time of installation,*
40 *whether or not an electric utility must credit a customer of the*
41 *electric utility for any excess energy that is generated by the*
42 *distributed energy system;*
- 43 *(m) A disclosure notifying the lessee of the intent of the lessor*
44 *to file a fixture filing, as defined in NRS 104A.2309, on the*
45 *distributed generation system;*



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1 (n) A disclosure notifying the lessee if maintenance and
2 repairs of the distributed generation system are included in the
3 lease;

4 (o) A disclosure describing any warranty for the repair of any
5 damage to the roof of the property owned by the lessee in
6 connection with the installation or removal of the distributed
7 generation system;

8 (p) A disclosure describing:

9 (1) The transferability of the lease; and

10 (2) Any conditions on transferring the lease in connection
11 with the lessee selling his or her property;

12 (q) A description of any guarantees of the performance of the
13 distributed generation system;

14 (r) A description of the basis for any estimates of savings that
15 were provided to the lessee, if applicable; and

16 (s) A disclosure concerning the retention of any portfolio
17 energy credits, if applicable.

18 **Sec. 12.** An agreement for the purchase of a distributed
19 generation system must include a cover page that provides the
20 following information in at least 10-point font:

21 1. The size of the distributed generation system.

22 2. The length of the term of the warranty for the distributed
23 generation system.

24 3. An estimated timeline for the installation of the distributed
25 generation system.

26 4. A description of any warranties.

27 5. The total cost of the distributed generation system.

28 6. The estimated value of any portfolio energy credits and
29 rebates of any incentives included in the calculation of the total
30 cost of the distributed generation system.

31 7. The amounts due at the signing for and at the completion
32 of the installation of the distributed generation system.

33 8. The estimated production of the distributed generation
34 system in the first year of operation.

35 9. Notice of the existence of the Recovery Fund administered
36 by the State Contractors' Board pursuant to NRS 624.470.

37 10. Notice that a person financially damaged by a licensed
38 contractor who performs work on a residence may be eligible to
39 recover certain financial damages from the Recovery Fund.

40 11. Contact information for the State Contractors' Board,
41 including, without limitation, a telephone number.

42 **Sec. 13.** An agreement for the purchase of a distributed
43 generation system must include, without limitation, the following
44 information in at least 10-point font:



- 1 1. *The name, mailing address, telephone number, electronic*
2 *mail address and number of the contractor's license of the solar*
3 *installation company.*
- 4 2. *The name, mailing address, telephone number and*
5 *electronic mail address of:*
 - 6 (a) *The purchaser of the distributed generation system; and*
 - 7 (b) *The name, mailing address, telephone number and*
8 *electronic mail address of the person responsible for all*
9 *maintenance of the distributed generation system, if different from*
10 *the solar installation company.*
- 11 3. *A description, which includes, without limitation, any*
12 *assumptions, concerning the design and installation of the*
13 *distributed generation system. Such a description must include,*
14 *without limitation:*
 - 15 (a) *The size of the distributed generation system;*
 - 16 (b) *The estimated amount of production for the distributed*
17 *generation system in the first year of operation; and*
 - 18 (c) *The estimated annual degradation to the distributed*
19 *generation system.*
- 20 4. *The total cost of the distributed generation system.*
- 21 5. *An estimated timeline for the installation of the distributed*
22 *generation system.*
- 23 6. *A payment schedule, including, without limitation:*
 - 24 (a) *The due dates for any deposit; and*
 - 25 (b) *Any subsequent payments that are not to exceed the total*
26 *system cost stated on the cover page pursuant to section 12 of this*
27 *act.*
- 28 7. *The granting to the purchaser the right to rescind the*
29 *agreement for a period ending not less than 3 business days after*
30 *the agreement is signed.*
- 31 8. *A copy of the warranty for the distributed generation*
32 *system.*
- 33 9. *A disclosure notifying the purchaser of the transferability*
34 *of the obligations under the warranty to a subsequent purchaser.*
- 35 10. *The identification of any incentives included in the*
36 *calculation of the total cost of the distributed generation system.*
- 37 11. *A description of any guarantee of the performance of the*
38 *distributed generation system.*
- 39 12. *A signature block that is signed and dated by the*
40 *purchaser of the distributed generation system and the solar*
41 *installation company.*
- 42 13. *A description of the basis for any estimates of savings that*
43 *were provided to the purchaser, if applicable.*
- 44 14. *A disclosure concerning the retention of any portfolio*
45 *energy credits, if applicable.*



1 **Sec. 14. 1. An agreement for the purchase of a distributed**
2 **generation system must include a disclosure that is not more than**
3 **3 pages in length and is in at least 10-point font.**

4 **2. The disclosure described in subsection 1 must be separate**
5 **from the cover page and agreement described in sections 12 and**
6 **13 of this act.**

7 **3. The disclosure described in subsection 1 must include,**
8 **without limitation:**

9 **(a) The name, mailing address, telephone number and**
10 **electronic mail address of the solar installation company;**

11 **(b) The name, mailing address, telephone number, electronic**
12 **mail address and number of the contractor's license of the person**
13 **who installed the distributed generation system, if different from**
14 **the solar installation company;**

15 **(c) The name, mailing address, telephone number, electronic**
16 **mail address and the number of the contractor's license of the**
17 **person responsible for all maintenance of the distributed**
18 **generation system, if different from the solar installation**
19 **company;**

20 **(d) The purchase price of the distributed generation system;**

21 **(e) The payment schedule for the distributed generation**
22 **system;**

23 **(f) The approximate start and completion dates for the**
24 **installation of the distributed generation system;**

25 **(g) A disclosure notifying the purchaser of the responsible**
26 **party for obtaining approval for connecting the distributed**
27 **generation system to the electricity meter on the host customer's**
28 **side;**

29 **(h) Assumptions concerning the design of the distributed**
30 **generation system, including, without limitation:**

31 **(1) The size of the distributed generation system;**

32 **(2) The estimated amount of production for the distributed**
33 **generation system in the first year of operation;**

34 **(3) The estimated annual degradation to the distributed**
35 **generation system; and**

36 **(4) As specified by the agreement at the time of installation,**
37 **whether or not an electric utility must credit a customer of the**
38 **electric utility for any excess energy that is generated by the**
39 **distributed energy system;**

40 **(i) A disclosure notifying the purchaser if maintenance and**
41 **repairs of the distributed generation system are included in the**
42 **purchase;**

43 **(j) A disclosure describing any warranty for the repair of any**
44 **damage to the roof of the property owned by the purchaser in**



1 connection with the installation or removal of the distributed
2 generation system;

3 (k) A description of any guarantees of the performance of the
4 distributed generation system;

5 (l) A description of the basis for any estimates of savings that
6 were provided to the purchaser, if applicable; and

7 (m) A disclosure concerning the retention of any portfolio
8 energy credits, if applicable.

9 **Sec. 15.** A power purchase agreement for the sale of the
10 output of a distributed generation system must include a cover
11 page that provides the following information in at least 10-point
12 font:

13 1. The rate of any increase in the payments to be made
14 during the term of the agreement and, if applicable, the date of the
15 first such increase.

16 2. An estimated timeline for the installation of the distributed
17 generation system.

18 3. The rate of electricity per kilowatt-hour of electricity for
19 the first year of the agreement.

20 4. The length of the term of the agreement.

21 5. The amounts due at the signing for and at the completion
22 of the installation or any inspection of the distributed generation
23 system.

24 6. The estimated production of the distributed generation
25 system in the first year of operation.

26 7. A description of the options available at the end of the term
27 of the agreement.

28 8. A description of any option to purchase the distributed
29 generation system before the end of the term of the agreement.

30 9. Notice of the existence of the Recovery Fund administered
31 by the State Contractors' Board pursuant to NRS 624.470.

32 10. Notice that a person financially damaged by a licensed
33 contractor who performs work on a residence may be eligible to
34 recover certain financial damages from the Recovery Fund.

35 11. Contact information for the State Contractors' Board,
36 including, without limitation, a telephone number.

37 **Sec. 16.** A power purchase agreement for the sale of the
38 output of a distributed generation system must include, without
39 limitation, the following information in at least 10-point font:

40 1. The name, mailing address, telephone number, electronic
41 mail address and number of the contractor's license of the solar
42 installation company.

43 2. The name, mailing address, telephone number and
44 electronic mail address of:

45 (a) The provider of the distributed generation system; and



1 ***(b) The name, mailing address, telephone number and***
2 ***electronic mail address of the person responsible for all***
3 ***maintenance of the distributed generation system, if different from***
4 ***the solar installation company.***

5 ***3. The length of the term of the agreement.***

6 ***4. An estimated timeline for the installation of the distributed***
7 ***generation system.***

8 ***5. The payments made during the first year of the agreement***
9 ***for the price of electricity, which includes, without limitation, the***
10 ***price per kilowatt-hour of electricity and the price per monthly***
11 ***system electrical output.***

12 ***6. The estimated annual electrical output of the distributed***
13 ***generation system.***

14 ***7. The rate of any increase in the payments to be made***
15 ***during the term of the agreement and, if applicable, the date of the***
16 ***first such increase.***

17 ***8. A description of any obligation the solar installation***
18 ***company has regarding construction and repair of and insurance***
19 ***for the distributed generation system.***

20 ***9. A description of any one-time or recurring fees, including,***
21 ***without limitation, a description of the circumstances that trigger***
22 ***any late fees.***

23 ***10. A description of any:***

24 ***(a) Taxes due at the commencement of the agreement; and***

25 ***(b) Estimation of taxes known to be applicable during the term***
26 ***of the agreement, subject to a change in the state or local tax rate***
27 ***or tax structure.***

28 ***11. A copy of the warranty for the distributed generation***
29 ***system.***

30 ***12. A description of the ownership of any tax credits, tax***
31 ***rebates, tax incentives or portfolio energy credits in connection***
32 ***with the distributed generation system.***

33 ***13. Any terms for renewal of the agreement.***

34 ***14. A description of any option to purchase the distributed***
35 ***generation system before the end of the term of the agreement.***

36 ***15. A description of all options available to the host customer***
37 ***in connection with the continuation, termination or transfer of the***
38 ***agreement in the event of the:***

39 ***(a) Sale of the property to which the distributed generation***
40 ***system is affixed; or***

41 ***(b) Death of the purchaser.***

42 ***16. The granting to the purchaser of the right to rescind the***
43 ***agreement for a period ending not less than 3 business days after***
44 ***the agreement is signed.***



1 17. A description of any restrictions that the agreement
2 imposes on the modification or transfer of the property to which
3 the distributed generation system is affixed.

4 18. A description of any guarantees of the performance of the
5 distributed generation system.

6 19. A disclosure notifying the host customer of the
7 transferability of the obligations under the warranty to a
8 subsequent purchaser.

9 20. A signature block that is signed and dated by the
10 purchaser and the solar installation company.

11 21. A statement describing the due dates of any payments.

12 **Sec. 17. 1.** A power purchase agreement for the sale of
13 output of a distributed generation system must include a
14 disclosure that is not more than 3 pages in length and is in at least
15 10-point font.

16 2. The disclosure described in subsection 1 must be separate
17 from the cover page and agreement described in sections 15 and
18 16 of this act.

19 3. The disclosure described in subsection 1 must include,
20 without limitation:

21 (a) The name, mailing address, telephone number and
22 electronic mail address of the solar installation company;

23 (b) The name, mailing address, telephone number, electronic
24 mail address and number of the contractor's license of the person
25 who installed the distributed generation system, if different from
26 the solar installation company;

27 (c) The name, mailing address, telephone number, electronic
28 mail address and the number of the contractor's license of the
29 person responsible for all maintenance of the distributed
30 generation system if different from the solar installation company;

31 (d) The payment schedule for the distributed generation
32 system, including, without limitation, any payments that are due, if
33 applicable, at:

34 (1) Signing for the distributed generation system;

35 (2) Commencement of installation of the distributed
36 generation system; and

37 (3) Completion of installation of the distributed generation
38 system;

39 (e) A description of any one-time or recurring fees, including,
40 without limitation, a description of the circumstances that trigger:

41 (1) Any late fees;

42 (2) Estimated fees for the removal of the distributed
43 generation system;

44 (3) Fees for a notice of removal and refiling pursuant to the
45 Uniform Commercial Code;



- 1 (4) Fees for connecting to the Internet; and
2 (5) Fees for not enrolling in a program in which payments
3 are made through an electronic transfer of money cleared through
4 an automated clearinghouse;
5 (f) A statement that describes when payments are due;
6 (g) The rate of any payment increases and the date on which
7 the first increase in the rate may occur, if applicable;
8 (h) Assumptions concerning the design of the distributed
9 generation system, including, without limitation:
10 (1) The size of the distributed generation system;
11 (2) The estimated amount of production for the distributed
12 generation system in the first year of operation;
13 (3) The estimated annual degradation to the distributed
14 generation system; and
15 (4) As specified by the agreement at the time of installation,
16 whether or not an electric utility must credit a customer of the
17 electric utility for any excess energy that is generated by the
18 distributed energy system;
19 (i) A disclosure notifying the purchaser of the intent of the
20 owner of the distributed generation system to file a fixture filing,
21 as defined in NRS 104A.2309, on the distributed generation
22 system;
23 (j) A disclosure notifying the purchaser if maintenance and
24 repairs of the distributed generation system are included in the
25 agreement;
26 (k) A disclosure describing any warranty for the repair of any
27 damage to the roof of the property owned by the purchaser in
28 connection with the installation or removal of the distributed
29 generation system;
30 (l) A disclosure describing the transferability of the distributed
31 generation system in connection with the purchaser selling his or
32 her property;
33 (m) A description of any guarantees of the performance of the
34 distributed generation system;
35 (n) A description of the basis for any estimates of savings that
36 were provided to the purchaser, if applicable; and
37 (o) A disclosure concerning the retention of any portfolio
38 energy credits, if applicable.
39 **Sec. 18.** *If an agreement for the lease or purchase of a*
40 *distributed generation system or if a power purchase agreement*
41 *makes a written reference to the price of electricity that is provided*
42 *by an electric utility, the agreement or power purchase agreement,*
43 *as applicable, must also provide, in 12-point font, a disclosure in*
44 *substantially the following form:*



1 *Actual utility rates may go up or down and actual*
2 *savings may vary. For further information regarding rates,*
3 *you may contact your local utility or the Public Utilities*
4 *Commission of Nevada.*

5 **Sec. 19. 1.** *An agreement for the lease or purchase of a*
6 *distributed generation system and a power purchase agreement*
7 *must include an express warranty for the installation of the*
8 *distributed generation system and the penetration into the roof by*
9 *the distributed generation system. Such warranties must:*

10 (i) *Be express and in writing; and*

11 (ii) *Expire not earlier than 10 years after the installation of the*
12 *distributed generation system.*

13 **2.** *An agreement for the lease of a distributed generation*
14 *system and a power purchase agreement must include an express*
15 *warranty that:*

16 (i) *Is in writing; and*

17 (ii) *Does not expire earlier than 10 years after the installation*
18 *of the distributed generation system.*

19 **3.** *An agreement for the purchase of a distributed generation*
20 *system must include the following express warranties in writing*
21 *for the component parts, including parts and labor, of the*
22 *distributed generation system, either directly from the solar*
23 *installation company or passed through from the manufacturer of*
24 *the component parts:*

25 (i) *For collectors and storage units, not less than a 10-year*
26 *warranty; and*

27 (ii) *For inverters, not less than a 7-year warranty.*

28 **4.** *The provisions of this section that relate to a person who*
29 *installs a distributed generation system do not apply to a person*
30 *who installs a system on his or her own property.*

31 **Sec. 20. 1.** *The failure of a person to comply with sections*
32 *2 to 20, inclusive, of this act constitutes a deceptive trade practice*
33 *for the purposes of NRS 598.0903 to 598.0999, inclusive.*

34 **2.** *A violation of any provision of sections 2 to 20, inclusive,*
35 *of this act constitutes consumer fraud for the purposes of*
36 *NRS 41.600.*

37 **3.** *Any document described in sections 9 to 19, inclusive, of*
38 *this act must be provided in:*

39 (i) *English; or*

40 (ii) *Spanish, if any person so requests.*

41 **Sec. 21.** Chapter 701 of NRS is hereby amended by adding
42 thereto the provisions set forth as sections 22 to 25, inclusive, of this
43 act.

44 **Sec. 22.** (Deleted by amendment.)



1 **Sec. 23.** *Sections 22 to 25, inclusive, of this act may be cited*
2 *as the Renewable Energy Bill of Rights.*

3 **Sec. 24.** *The Legislature hereby declares that each natural*
4 *person who is a resident of this State has the right to:*

5 1. *Generate, consume and export renewable energy and*
6 *reduce his or her use of electricity that is obtained from the grid.*

7 2. *Use technology to store energy at his or her residence.*

8 3. *If the person generates renewable energy pursuant to*
9 *subsection 1, or stores energy pursuant to subsection 2, or any*
10 *combination thereof, be allowed to connect his or her system that*
11 *generates renewable energy or stores energy, or any combination*
12 *thereof, with the electricity meter on the customer's side that is*
13 *provided by an electric utility or any other person named and*
14 *defined in chapters 704, 704A and 704B of NRS:*

15 (a) *In a timely manner;*

16 (b) *Without any unnecessary, burdensome or restrictive*
17 *requirement; and*

18 (c) *Without the permission of an electric utility or any other*
19 *person named and defined in chapters 704, 704A and 704B of*
20 *NRS if the system:*

21 (1) *Is not used for exporting renewable energy past the*
22 *electric utility meter on the customer's side; and*

23 (2) *Meets reasonable safety requirements.*

24 4. *Fair credit for any energy exported to the grid.*

25 5. *Consumer protections in contracts for renewable energy*
26 *pursuant to sections 2 to 20, inclusive, of this act.*

27 6. *Have his or her generation of renewable energy given*
28 *priority in planning and acquisition of energy resources by an*
29 *electric utility.*

30 7. *Remain within the existing broad rate class to which the*
31 *resident would belong in the absence of a net metering system or a*
32 *system that generates renewable energy or stores energy, or any*
33 *combination thereof, without any fees or charges that are different*
34 *than the fees and charges assessed to customers of the same rate*
35 *class, regardless of the technologies on the customer's side of the*
36 *electricity meter, including, without limitation, energy production,*
37 *energy savings, energy consumption, energy storage or energy*
38 *shifting technologies, provided that such technologies do not*
39 *compromise the safety and reliability of the utility grid.*

40 **Sec. 25.** (Deleted by amendment.)

41 **Sec. 26.** Chapter 704 of NRS is hereby amended by adding
42 thereto the provisions set forth as sections 27, 28 and 29 of this act.

43 **Sec. 27.** 1. *An electric utility that primarily serves densely*
44 *populated counties shall, on or before August 1, 2017, file with the*
45 *Commission in a manner authorized by NRS 704.110 a request*



1 *that the Commission establish an optional time-variant rate*
2 *schedule for customers, including, without limitation, customer-*
3 *generators who acquire an energy storage system.*

4 *2. An electric utility that primarily serves less densely*
5 *populated counties shall, on or before January 16, 2018, file with*
6 *the Commission in a manner authorized by NRS 704.100 a request*
7 *that the Commission establish an optional time-variant rate*
8 *schedule for customers, including, without limitation, customer-*
9 *generators who acquire an energy storage system.*

10 *3. A request filed pursuant to subsection 1 or 2 must be*
11 *designed to expand and accelerate the development and use of*
12 *energy storage systems in this State.*

13 *4. The Commission:*

14 *(a) Shall review each request filed pursuant to subsection 1*
15 *or 2;*

16 *(b) May approve each request that the Commission finds to be*
17 *in the public interest; and*

18 *(c) Not later than March 15, 2018, shall issue a written order*
19 *approving or denying each request filed pursuant to subsection 1*
20 *or 2.*

21 *5. As used in this section:*

22 *(a) "Electric utility that primarily serves densely populated*
23 *counties" has the meaning ascribed to it in NRS 704.110.*

24 *(b) "Electric utility that primarily serves less densely populated*
25 *counties" has the meaning ascribed to it in NRS 704.110.*

26 *(c) "Energy storage system" means any commercially*
27 *available technology that is capable of retaining energy, storing*
28 *the energy for a period of time and delivering the energy after*
29 *storage, including, without limitation, by chemical, thermal or*
30 *mechanical means.*

31 *(d) "Time-variant rate schedule" means a rate schedule that*
32 *incorporates different rates for different times of day during which*
33 *electricity may be used by a customer or fed back to the utility by*
34 *the customer.*

35 **Sec. 28. 1.** *A utility shall charge a net metering adjustment*
36 *charge pursuant to this section to each customer-generator who,*
37 *on or after the effective date of this section, accepts the offer of the*
38 *utility for net metering.*

39 *2. The net metering adjustment charge required by this*
40 *section applies to each kilowatt-hour of excess electricity governed*
41 *by paragraph (c) of subsection 2 of NRS 704.775 that is generated*
42 *by a customer-generator described in subsection 1.*

43 *3. The net metering adjustment charge on each kilowatt-hour*
44 *of excess electricity described in subsection 2 must equal a*
45 *percentage, as set forth in subsection 4, of the rate the*



1 customer-generator would have paid for a kilowatt-hour of
2 electricity supplied by the utility at the time the customer-
3 generator fed the kilowatt-hour of excess electricity back to the
4 utility.

5 4. The percentage to be used to determine the net metering
6 adjustment charge pursuant to subsection 3 on each kilowatt-hour
7 of excess electricity must equal:

8 (a) Five percent, if the customer-generator accepts the offer of
9 the utility for net metering:

10 (1) On or after the effective date of this section; and

11 (2) Before the date on which the Commission determines
12 and posts to its Internet website its determination that the
13 cumulative installed capacity of all net metering systems in this
14 State equals or exceeds:

15 (I) Four hundred and eighty megawatts; and

16 (II) Six percent of the peak demand for electricity in this
17 State for the previous calendar year, as determined by the
18 Commission pursuant to subsection 6;

19 (b) Ten percent, if the customer-generator accepts the offer of
20 the utility for net metering:

21 (1) On or after the date the Commission determines,
22 pursuant to subsection 6, that the conditions set forth in sub-
23 subparagraphs (I) and (II) of subparagraph (2) of paragraph (a)
24 have been met; and

25 (2) Before the date on which the Commission determines
26 and posts to its Internet website its determination that the
27 cumulative installed capacity of all net metering systems in this
28 State equals or exceeds:

29 (I) Six hundred and forty megawatts; and

30 (II) Eight percent of the peak demand for electricity in
31 this State for the previous calendar year, as determined by the
32 Commission pursuant to subsection 6;

33 (c) Fifteen percent, if the customer-generator accepts the offer
34 of the utility for net metering:

35 (1) On or after the date the Commission determines,
36 pursuant to subsection 6, that the conditions set forth in sub-
37 subparagraphs (I) and (II) of subparagraph (2) of paragraph (b)
38 have been met; and

39 (2) Before the date on which the Commission determines
40 and posts to its Internet website its determination that the
41 cumulative installed capacity of all net metering systems in this
42 State equals or exceeds:

43 (I) Eight hundred megawatts; and



1 (ii) Ten percent of the peak demand for electricity in
2 this State for the previous calendar year, as determined by the
3 Commission pursuant to subsection 6; or

4 (d) Twenty percent, if the customer-generator accepts the offer
5 of the utility for net metering on or after the date the Commission
6 determines, pursuant to subsection 6, that the conditions set forth
7 in sub-subparagraphs (I) and (II) of subparagraph (2) of
8 paragraph (c) have been met.

9 5. Each utility shall:

10 (a) On or before January 15 of each calendar year, report to
11 the Commission the peak demand for electricity experienced by
12 that utility each day of the immediately preceding calendar year;
13 and

14 (b) On or before the 15th day of each calendar month, post on
15 its Internet website and report to the Commission the cumulative
16 installed capacity of the net metering systems for which a
17 customer-generator has accepted the offer of that utility as of the
18 close of business of the utility on the last business day of the
19 immediately preceding calendar month.

20 6. The Commission shall:

21 (a) After January 15 of each calendar year and on or before
22 the immediately succeeding January 31 of each calendar year,
23 determine and post on its Internet website the peak demand for
24 electricity in this State for the immediately preceding calendar
25 year, based upon the information the Commission most recently
26 received pursuant to paragraph (a) of subsection 5;

27 (b) For the purposes of subsection 4, during January of each
28 calendar year, until the Commission determines and posts on its
29 Internet website pursuant to paragraph (a) a new peak demand for
30 electricity in this State, deem the peak demand for electricity in
31 this State to continue to be the same peak demand for electricity in
32 this State as was applicable during the immediately preceding
33 December;

34 (c) On the first business day of each calendar month,
35 determine and post on its Internet website the cumulative installed
36 capacity of all net metering systems in this State, based upon the
37 information the Commission most recently received pursuant to
38 paragraph (b) of subsection 5; and

39 (d) Based upon the peak demand for electricity in this State
40 determined pursuant to paragraph (a) or (b), as applicable, and
41 the cumulative installed capacity of all net metering systems in this
42 State determined pursuant to paragraph (c):

43 (1) On the first business day of each calendar month before
44 the Commission determines that the conditions set forth in sub-
45 subparagraphs (I) and (II) of subparagraph (2) of paragraph (a)



1 of subsection 4 have been met, determine and post on its Internet
2 website the remaining capacity of net metering systems which may
3 be installed in this State before those conditions are met;

4 (2) On the first business day of the calendar month on
5 which the Commission determines that the conditions set forth in
6 sub-subparagraphs (I) and (II) of subparagraph (2) of paragraph
7 (a) of subsection 4 have been met, post on its Internet website:

8 (I) A statement indicating that those conditions have
9 been met; and

10 (II) A statement indicating that all offers for net
11 metering accepted on or after this business day are governed by
12 paragraph (b), (c) or (d) of subsection 4, as applicable, and are not
13 governed by paragraph (a) of subsection 4;

14 (3) On the first business day of each calendar month after
15 the date described in subparagraph (2) and before the Commission
16 determines that the conditions set forth in sub-subparagraphs (I)
17 and (II) of subparagraph (2) of paragraph (b) of subsection 4 have
18 been met, determine and post on its Internet website the remaining
19 capacity of net metering systems which may be installed in this
20 State before those conditions are met;

21 (4) On the first business day of the calendar month on
22 which the Commission determines that the conditions set forth in
23 sub-subparagraphs (I) and (II) of subparagraph (2) of paragraph
24 (b) of subsection 4 have been met, post on its Internet website:

25 (I) A statement indicating that those conditions have
26 been met; and

27 (II) A statement indicating that all offers for net
28 metering accepted on or after this business day are governed by
29 paragraph (c) or (d) of subsection 4, as applicable, and are not
30 governed by paragraph (a) or (b) of subsection 4;

31 (5) On the first business day of each calendar month after
32 the date described in subparagraph (4) and before the Commission
33 determines that the conditions set forth in sub-subparagraphs (I)
34 and (II) of subparagraph (2) of paragraph (c) of subsection 4 have
35 been met, determine and post on its Internet website the remaining
36 capacity of net metering systems which may be installed in this
37 State before those conditions are met; and

38 (6) On the first business day of the calendar month on
39 which the Commission determines that the conditions set forth in
40 sub-subparagraphs (I) and (II) of subparagraph (2) of paragraph
41 (c) of subsection 4 have been met, post on its Internet website:

42 (I) A statement indicating that those conditions have
43 been met; and

44 (II) A statement indicating that all offers for net
45 metering accepted on or after this business day are governed by



1 paragraph (d) of subsection 4 and are not governed by paragraph
2 (a), (b) or (c) of subsection 4.

3 7. Except as otherwise provided in this subsection, a
4 customer-generator shall be deemed to accept the offer of the
5 utility for net metering on the date the customer-generator submits
6 to the utility a complete application to install a net metering system
7 within the service area of the utility. A customer-generator who
8 accepted the offer of the utility for net metering before the
9 effective date of this section may, but is not required to, submit a
10 request to be treated for all purposes, including, without
11 limitation, for the purposes of subsection 4, as a customer-
12 generator who accepted the offer of the utility for net metering on
13 the date of the request.

14 **Sec. 29.** Within 6 months after the date the Commission
15 determines that the conditions set forth in sub-subparagraphs (I)
16 and (II) of subparagraph (2) of paragraph (c) of subsection 4 of
17 section 28 of this act have been met, the Legislative Committee on
18 Energy created by NRS 218E.805 shall, in consultation with the
19 Commission, make recommendations to the Legislature
20 concerning:

21 1. Whether the net metering adjustment charge required by
22 section 28 of this act is adequate to offset any known impacts of
23 customer-generators on the electricity grid, the system for
24 distribution of electricity and the rates for electricity. The
25 Legislative Committee on Energy, in consultation with the
26 Commission, shall take into account any benefits to the electricity
27 grid and any benefits to society that it determines are caused by
28 the net metering systems of customer-generators.

29 2. Any revision to the net metering adjustment charge that is
30 determined by the Legislative Committee on Energy to be
31 appropriate.

32 3. Whether a different rate design or different compensation
33 for excess electricity that is fed back to the utility by customer-
34 generators would increase any benefits caused by the net metering
35 systems of customer-generators to the electricity grid and to all
36 customers of utilities in this State.

37 4. Any revision to the rate design or the compensation for
38 excess electricity that is fed back to the utility by customer-
39 generators that the Legislative Committee on Energy determines to
40 be appropriate.

41 **Sec. 30.** NRS 704.767 is hereby amended to read as follows:

42 704.767 As used in NRS 704.766 to 704.775, inclusive, *and*
43 *sections 27, 28 and 29 of this act*, unless the context otherwise
44 requires, the words and terms defined in NRS 704.7675 to 704.772,
45 inclusive, have the meanings ascribed to them in those sections.



1 **Sec. 31.** NRS 704.773 is hereby amended to read as follows:

2 704.773 1. A utility shall offer net metering ~~†~~:

3 ~~—(a) In† in~~ accordance with the provisions of ~~{this section, NRS~~
4 ~~704.774 and 704.775,} **NRS 704.766 to 704.775, inclusive, and**~~
5 ~~sections 27, 28 and 29 of this act~~ to the customer-generators
6 operating within its service area . ~~{until the date on which the~~
7 ~~cumulative capacity of all net metering systems for which all~~
8 ~~utilities in this State have accepted or approved completed~~
9 ~~applications for net metering is equal to 235 megawatts.~~

10 ~~—(b) After the date on which the cumulative capacity requirement~~
11 ~~described in paragraph (a) is met, in accordance with a tariff filed by~~
12 ~~the utility and approved by the Commission pursuant to~~
13 ~~NRS 704.7735.†~~

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

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

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

23 (c) Except as otherwise provided in subsection ~~{§,} 7 and~~
24 ~~section 28 of this act,~~ shall not charge ~~††~~ the customer-generator
25 any fee or charge that ~~{would increase the customer-generator's~~
26 ~~minimum monthly charge to an amount greater} **is different**~~ than
27 that ~~{of} charged to~~ other customers of the utility in the ~~{same} rate~~
28 class ~~{as} to which~~ the customer-generator ~~††~~ **would belong if the**
29 **customer-generator did not have a net metering system.**

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

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

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

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

39 (2) Any upgrades to the system of the utility that are required
40 to make the net metering system compatible with the system of the
41 utility.

42 (b) Except as otherwise provided in paragraph ~~{(c) and} (d),~~
43 subsection ~~{§, may} 7 and section 28 of this act,~~ shall not charge
44 the customer-generator any ~~{applicable} fee or charge~~ **that is**
45 **different than that** charged to other customers of the utility in the



1 ~~{same}~~ rate class ~~{as}~~ *to which* the customer-generator ~~{}~~ *would*
2 *belong if the customer-generator did not have a net metering*
3 *system*, including, without limitation, customer, demand and facility
4 charges.

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

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

9 ~~{→}~~

10 4. At the time of installation or upgrade of any portion of a net
11 metering system, the utility must allow a customer-generator
12 governed by ~~{this}~~ subsection 3 to pay the entire cost of the
13 installation or upgrade of the portion of the net metering system.

14 ~~{4-}~~ 5. *Except as otherwise provided in subsections 2, 3 and 6*
15 *and section 28 of this act, the utility shall not for any purpose*
16 *assign a customer-generator to a rate class other than the rate*
17 *class to which the customer-generator would belong if the*
18 *customer-generator did not have a net metering system, including,*
19 *without limitation, for the purpose of any fee or charge.*

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

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

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

29 ↪ the net metering system ceases to be eligible to participate in net
30 metering.

31 ~~{5-}~~ 7. A utility shall assess against a customer-generator:

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

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

37 ~~{}~~ ~~(c) The charges or rates, if any, which the Commission~~
38 ~~determines must be assessed against the customer-generator~~
39 ~~pursuant to any tariff submitted to and approved by the Commission~~
40 ~~pursuant to NRS 704.7735.~~

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



1 ~~16.1~~ 8. *The Commission and the utility must allow a*
2 *customer-generator who accepts the offer of the utility for net*
3 *metering to continue net metering pursuant to NRS 704.766 to*
4 *704.775, inclusive, and sections 27, 28 and 29 of this act at the*
5 *location at which the net metering system is originally installed for*
6 *the life of the net metering system that is originally installed or for*
7 *20 years, whichever is longer. For the purposes of this subsection,*
8 *“to continue net metering” includes, without limitation:*

9 (a) *Retaining the percentage set forth in subsection 4 of*
10 *section 28 of this act to be used to determine the net metering*
11 *adjustment charge applicable to the customer-generator; and*

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

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

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

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

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

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

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

30 (d) Any other provisions the Commission finds necessary to
31 carry out the provisions of NRS 704.766 to 704.775, inclusive ~~H~~ ,
32 *and sections 27, 28 and 29 of this act.*

33 **Sec. 32.** 1. For the purposes of compliance with section 28
34 of this act, from the effective date of section 28 of this act until the
35 date in January 2018 on which the Public Utilities Commission of
36 Nevada first determines the peak demand for electricity in this State
37 pursuant to paragraph (a) of subsection 6 of section 28 of this act,
38 the Commission shall deem the peak demand for electricity in this
39 State for the previous calendar year to be 8,000 megawatts.

40 2. For the purposes of compliance with paragraph (a) of
41 subsection 5 of section 28 of this act in January 2018, a utility to
42 which section 28 of this act applies may, on or before January 15,
43 2018, report the peak demand for electricity experienced by the
44 utility each day of calendar year 2017 beginning on the effective
45 date of section 28 of this act and ending on December 31, 2017.



1 **Sec. 33.** NRS 704.7735 is hereby repealed.

2 **Sec. 34.** 1. This section and sections 26 to 33, inclusive, of
3 this act become effective upon passage and approval.

4 2. Sections 1 through 24 of this act become effective on
5 September 1, 2017.

TEXT OF REPEALED SECTION

704.7735 Utility required to offer net metering in accordance with tariff after certain cumulative capacity requirements are met.

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

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

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

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

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

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

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

3. In approving any tariff submitted pursuant to subsection 1, the Commission shall determine whether and the extent to which any tariff approved or rates or charges authorized pursuant to this section are applicable to customer-generators who, on or before the date on which the cumulative capacity requirement described in



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paragraph (a) of subsection 1 of NRS 704.773 is met, submitted a complete application to install a net metering system within the service territory of a utility.

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