

ASSEMBLY BILL NO. 425—COMMITTEE  
ON GROWTH AND INFRASTRUCTURE

MARCH 27, 2023

Referred to Committee on Growth and Infrastructure

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

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

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

**Legislative Counsel’s Digest:**

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



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

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

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

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

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

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

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

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

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

17     5. *Is owned by the landlord or another third party that either*  
18 *equitably allocates the capacity and associated production of the*  
19 *energy system to each of the individually metered units or common*  
20 *areas within the qualified multifamily affordable housing property*  
21 *or, if the property is master-metered, equitably allocates benefits to*  
22 *residents;*

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

26     (a) *A capacity that is sized to supply not more than 120 percent*  
27 *of the metered historic usage or reasonably expected future usage*  
28 *for common-area meters or master meters; and*

29     (b) *A capacity of not more than 25 kilowatts per unit for*  
30 *meters serving tenant units; and*

31     7. *Is net metered by the utility by allocating credit for excess*  
32 *electricity either to common area meters or to individually-metered*  
33 *accounts, or both, that receive an allocation, according to the*  
34 *allocation schedule provided by the owner of the energy system,*  
35 *without requiring the energy system to be physically*  
36 *interconnected with each meter associated with a customer*  
37 *account.*



1       **Sec. 4.** *“Master meter” means a single electric meter used to*  
2 *measure electricity usage for multiple tenants or units within a*  
3 *multi-unit building.*

4       **Sec. 5.** *“Qualified low-income residential building” means a*  
5 *residential rental building which participates in:*

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

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

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

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

15       **Sec. 6.** *“Qualified low-income residential building project”*  
16 *means an energy facility that:*

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

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

23       **Sec. 7.** *“Qualified multifamily affordable housing property”:*

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

26       (a) *Contains one or more qualifying low-income residential*  
27 *buildings that are part of a single low-income housing enterprise*  
28 *on the same property or contiguous property; and*

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

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

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

38       704.021 “Public utility” or “utility” does not include:

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

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



1 (a) They serve 25 persons or less; and  
2 (b) Their gross sales for water or services for the disposal of  
3 sewage, or both, amounted to \$25,000 or less during the  
4 immediately preceding 12 months.

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

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

17 5. Persons who are subject to the provisions of NRS 590.465 to  
18 590.645, inclusive.

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

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

24 8. Persons who are video service providers, as defined in NRS  
25 711.151, except for those operations of the video service provider  
26 which consist of providing a telecommunication service to the  
27 public, in which case the video service provider is a public utility  
28 only with regard to those operations of the video service provider  
29 which consist of providing a telecommunication service to the  
30 public.

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

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

37 (a) The electricity is delivered only to persons, units or spaces  
38 located on the premises on which the net metering system or  
39 systems are located;

40 (b) The residential or commercial units or spaces do not have  
41 individual meters measuring electricity use by an individual unit or  
42 space; and

43 (c) Persons occupying the individual units or spaces are not  
44 charged for electricity based upon volumetric usage at the person's  
45 individual unit or space.



1 11. Persons who for compensation own or operate individual  
2 systems which use renewable energy to generate electricity and sell  
3 the electricity generated from those systems to not more than one  
4 customer of the public utility per individual system if each  
5 individual system is:

6 (a) Located on the premises of another person;

7 (b) Used to produce not more than 150 percent of that other  
8 person's requirements for electricity on an annual basis for the  
9 premises on which the individual system is located; and

10 (c) Not part of a larger system that aggregates electricity  
11 generated from renewable energy for resale or use on premises other  
12 than the premises on which the individual system is located.

13 ↪ As used in this subsection, "renewable energy" has the meaning  
14 ascribed to it in NRS 704.7715.

15 12. Persons who own, control, operate or manage a facility that  
16 supplies electricity only for use to charge electric vehicles.

17 13. Any plant or equipment that is used by a data center to  
18 produce, deliver or furnish electricity at agreed-upon prices for or to  
19 persons on the premises of the data center for the sole purpose of  
20 those persons storing, processing or distributing data, but only with  
21 regard to those operations which consist of providing electric  
22 service. As used in this subsection, "data center" has the meaning  
23 ascribed to it in NRS 360.754.

24 **Sec. 9.** NRS 704.767 is hereby amended to read as follows:

25 704.767 As used in NRS 704.766 to 704.776, inclusive, *and*  
26 *sections 2 to 7, inclusive, of this act*, unless the context otherwise  
27 requires, the words and terms defined in NRS 704.7675 to 704.772,  
28 inclusive, *and sections 2 to 7, inclusive, of this act* have the  
29 meanings ascribed to them in those sections.

30 **Sec. 10.** NRS 704.768 is hereby amended to read as follows:

31 704.768 "Customer-generator" means a user of a net metering  
32 system **[ ]**, *including, without limitation:*

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

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

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

42 704.771 1. "Net metering system" means:

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



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

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

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

5 (4) Operates in parallel with the utility's transmission and  
6 distribution facilities; and

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

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

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

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

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

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

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

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

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

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

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

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

29 (5) Which is intended primarily to offset all or part of the  
30 customer-generator's requirements for electricity on that property or  
31 on contiguous property owned or leased by the customer-generator;

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

33 (7) The construction or installation of which is commenced  
34 on or before December 31, 2011, and is completed on or before  
35 December 31, 2012 ~~for~~; *or*

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

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

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

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



1       **Sec. 12.** NRS 704.773 is hereby amended to read as follows:

2       704.773 1. A utility shall offer net metering in accordance  
3 with the provisions of NRS 704.766 to 704.776, inclusive, *and*  
4 *sections 2 to 7, inclusive, of this act* to the customer-generators  
5 operating within its service area.

6       2. If the net metering system of a customer-generator who  
7 accepts the offer of a utility for net metering has a capacity of not  
8 more than 25 kilowatts ~~§~~ *or if a customer-generator is allocated*  
9 *not more than 25 kilowatts from a low-income housing shared net*  
10 *metering system*, the utility:

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

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

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

25       3. If the net metering system of a customer-generator who  
26 accepts the offer of a utility for net metering has a capacity of more  
27 than 25 kilowatts ~~§~~ *or if a customer-generator is allocated more*  
28 *than 25 kilowatts from a low-income housing shared net metering*  
29 *system*, the utility:

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

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

36       (2) Any upgrades to the system of the utility that are required  
37 to make the net metering system compatible with the system of the  
38 utility.

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



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

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

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

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

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

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

22 (b) The customer-generator sells or transfers his or her interest  
23 in the contiguous property,  
24 ↪ the net metering system ceases to be eligible to participate in net  
25 metering.

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

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

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

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

36 8. The Commission and the utility must allow a customer-  
37 generator who accepts the offer of the utility for net metering to  
38 continue net metering pursuant to NRS 704.766 to 704.776,  
39 inclusive, *and sections 2 to 7, inclusive, of this act* at the location at  
40 which the net metering system is originally installed for 20 years.  
41 For the purposes of this subsection, "to continue net metering"  
42 includes, without limitation:

43 (a) Retaining the percentage set forth in subsection 3 of NRS  
44 704.7732 to be used to determine the credit for electricity governed





1 by paragraph (c) of subsection 2 of NRS 704.775, which is  
2 applicable to the customer-generator; and

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

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

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

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

15 ➔ based on the allowable size of the net metering system.

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

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

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

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

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

33 (b) *A provision authorizing the allocation by the owner of a*  
34 *low-income housing shared net metering system, in consultation*  
35 *with the owner of the qualified multifamily affordable housing*  
36 *property where the low-income housing shared net metering*  
37 *system is located, of the financial benefits of the electricity*  
38 *produced by the low-income housing shared net metering system*  
39 *in a manner which ensures:*

40 (1) *In the case of individually metered tenant units, net*  
41 *metering credits are allocated among the tenant units in a manner*  
42 *that is equitable and in proportion to the size of each unit*  
43 *measured in square feet; and*

44 (2) *In the case of master-metered buildings, residents*  
45 *receive such financial benefits in the form of additional property*



1 *amenities or services that are equitably accessible to all residents*  
2 *of the property.*

3 *↳ An equitable allocation of the financial benefits of the*  
4 *electricity produced by the low-income housing shared net*  
5 *metering system to the occupants does not preclude any allocation*  
6 *of the generation output to common-area accounts.*

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

12 (d) *The manner in which a utility is required to bill customer-*  
13 *generators who are allocated shares of the capacity of a low-*  
14 *income housing net metering system.*

15 (e) *Provisions governing the interconnection of a low-income*  
16 *housing shared net metering system to the system of the utility*  
17 *without requiring the meters in individual units to be directly*  
18 *interconnected to the low-income housing shared net metering*  
19 *system, including, without limitation, procedures and timelines*  
20 *that are consistent with the procedures and timelines established*  
21 *for other net metering systems.*

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

25 **Sec. 13.** NRS 704.7732 is hereby amended to read as follows:

26 704.7732 1. If a customer-generator accepts the offer of a  
27 utility for net metering on or after June 15, 2017, and the net  
28 metering system of the customer-generator has a capacity of not  
29 more than 25 kilowatts, *the customer-generator is allocated not*  
30 *more than 25 kilowatts from a low-income housing shared net*  
31 *metering system or the customer-generator is using an allocation*  
32 *from a low-income housing shared net metering system to serve*  
33 *common areas of a qualified affordable housing property,* the  
34 utility must, in accordance with this section, provide to the  
35 customer-generator a credit for each kilowatt-hour of excess  
36 electricity governed by paragraph (c) of subsection 2 of NRS  
37 704.775 that is generated by the customer-generator **[.]** *or which*  
38 *represents the customer-generator's allocation of the excess*  
39 *electricity generated by a low-income housing shared net metering*  
40 *system.*

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



1 customer-generator fed the kilowatt-hour of excess electricity back  
2 to the utility.

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

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

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

8 (2) Before the date on which the Commission determines and  
9 posts on its Internet website its determination that the cumulative  
10 installed capacity of all net metering systems in this State with a  
11 capacity of not more than 25 kilowatts for customer-generators who  
12 accepted the offer of the utility for net metering on or after June 15,  
13 2017, is equal to 80 megawatts;

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

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

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

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

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

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

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

42 4. On or before the 15th day of each calendar month, a utility  
43 shall post on its Internet website and report to the Commission the  
44 cumulative installed capacity of the net metering systems with a  
45 capacity of not more than 25 kilowatts for which a customer-



1 generator has accepted the offer of that utility as of the close of  
2 business of the utility on the last business day of the immediately  
3 preceding calendar month.

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

16 **Sec. 14.** NRS 704.775 is hereby amended to read as follows:

17 704.775 1. The billing period for net metering must be a  
18 monthly period.

19 2. The net energy measurement must be calculated in the  
20 following manner:

21 (a) The utility shall measure, in kilowatt-hours, the net  
22 electricity produced or consumed during the billing period  $\square$ :

23 *(1) For a net metering system other than a low-income*  
24 *housing shared net metering system or for a low-income housing*  
25 *shared net metering system that serves only one meter, in*  
26 *accordance with normal metering practices.*

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

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

37 *(II) For premises that contain more than one master*  
38 *meter, calculate the total kilowatt-hour output associated with*  
39 *each master meter's allocated share of the production of the low-*  
40 *income housing shared net metering system and deduct the*  
41 *allocated total kilowatt-hour output from each master meter's total*  
42 *measured consumption.*

43 (b) If the electricity supplied by the utility exceeds the electricity  
44 generated by the customer-generator, *or the customer-generator's*  
45 *allocated share of the electricity generated by a low-income*



1 *housing shared net metering system*, which is fed back to the utility  
2 during the billing period, the customer-generator must be billed for  
3 the net electricity supplied by the utility.

4 (c) Except as otherwise provided in NRS 704.7732, if the  
5 electricity generated by the customer-generator, *or the customer-*  
6 *generator's allocated share of the electricity generated by a low-*  
7 *income housing shared net metering system*, which is fed back to  
8 the utility exceeds the electricity supplied by the utility during the  
9 billing period:

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

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

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

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


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

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

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

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

37 (a) In whole or in part by a utility, the electricity generated by  
38 the net metering system shall be deemed to be electricity that the  
39 utility generated or acquired from a renewable energy system for the  
40 purposes of complying with its portfolio standard pursuant to NRS  
41 704.7801 to 704.7828, inclusive.

42 (b) Entirely by a customer-generator , *including a customer-*  
43 *generator that is the owner of a low-income housing shared net*  
44 *metering system*, the Commission shall issue to the customer-  
45 generator portfolio energy credits for use within the system of



1 portfolio energy credits adopted by the Commission pursuant to  
2 NRS 704.7821 and 704.78213 equal to the electricity generated by  
3 the net metering system.

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

7 **Sec. 15.** NRS 704.940 is hereby amended to read as follows:

8 704.940 1. In a manufactured home park, mobile home park  
9 or company town where the landlord or owner is billed by a gas or  
10 electric utility or an alternative seller and in turn charges the tenants  
11 or occupants of the dwellings for the service provided by the utility  
12 or alternative seller, and the park or town:

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

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

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

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

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

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

42 3. To the extent that the cost of providing a utility service to  
43 the common area of a manufactured home park, mobile home park  
44 or company town can be identified, the landlord or owner may not  
45 recover the cost of the utility service provided to the common area



1 by directly charging a tenant or the occupant of a dwelling for those  
2 services.

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

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

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

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

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

32 7. The owner of a company town who provides a utility service  
33 directly to the occupants of the town may charge the occupants their  
34 pro rata share of the owner's cost of providing that service. Where  
35 meters are available, the pro rata share must be based on meter  
36 readings. Where meters are not available, the owner shall determine  
37 a fair allocation which must be explained in detail to the  
38 Commission in the reports required by NRS 704.960. The  
39 Commission may modify the allocation in accordance with its  
40 regulations if it determines the owner's method not to be fair. The  
41 Commission shall adopt regulations governing the determination of  
42 the costs which an owner of a company town may recover for  
43 providing a utility service directly to the occupants of that town and  
44 the terms and conditions governing the provision of that service.



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

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

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

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

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

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

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

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

42 2. Sections 1 to 15, inclusive, of this act become effective:

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





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

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