

**ADOPTED REGULATION OF
THE PUBLIC UTILITIES COMMISSION OF NEVADA**

LCB File No. R032-08

Effective September 18, 2008

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

AUTHORITY: §§1-14, NRS 704.773.

A REGULATION relating to public utilities; establishing provisions relating to net metering tariffs; establishing provisions relating to standard net metering contracts; and providing other matters properly relating thereto.

Section 1. Chapter 704 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 14, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 14, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 10, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Customer-generator” has the meaning ascribed to it in NRS 704.768.*

Sec. 4. *“Interconnection” means the physical connection of a generating facility to the utility so that parallel operation with the utility system may occur.*

Sec. 5. *“Metering” means the measuring of the flow of electrical power in kilowatts or kilowatt-hours.*

Sec. 6. *“Net metering” has the meaning ascribed to it in NRS 704.769.*

Sec. 7. *“Net metering system” has the meaning ascribed to it in NRS 704.771.*

Sec. 8. *“Solar Energy Program” has the meaning ascribed to it in NRS 701B.160.*

Sec. 9. *“Waterpower Demonstration Program” has the meaning ascribed to it in NRS 701B.810.*

Sec. 10. *“Wind Demonstration Program” has the meaning ascribed to it in NRS 701B.550.*

Sec. 11. *A utility must file an application with the Commission to obtain approval of a net metering tariff. The net metering tariff must include, at a minimum, the following provisions:*

1. Net metering must be accomplished using a single meter capable of registering the flow of electricity in both directions, except that if the net metering system of a customer-generator has a capacity of more than 100 kilowatts, the utility may require the customer-generator to install, at his own expense, an energy meter that is capable of measuring generation output and customer load.

2. Billing for net metering must be made in accordance with the provisions of NRS 704.775.

3. Interconnection with the utility must be consistent with the utility’s tariff.

4. The net metering system must meet the standards set forth in NRS 704.774.

Sec. 12. *1. The utility shall create a standard net metering contract which must be provided to any customer upon request. The standard net metering contract must include, at a minimum:*

(a) A description of the facilities to be interconnected;

(b) The requirements for maintenance of the interconnected facilities;

(c) Provisions for access by the utility to the premises where the net metering system is located;

(d) Provisions for the interruption of delivery of electricity;

(e) A description of the liabilities and rights of indemnity of both the customer-generator and the utility;

(f) The requirements of insurance for the customer-generator pursuant to subsection 2 of NRS 704.774;

(g) The term of the contract and the process for renewal of the contract; and

(h) An explanation of the disposition of portfolio energy credits and a statement informing the customer that:

(1) The installation of meters by the utility or upgrades made to the utility's system do not entitle the utility to the portfolio energy credits generated by the customer-generator's net metering system; and

(2) Portfolio energy credits issued pursuant to the Solar Energy Program, Wind Demonstration Program or Waterpower Demonstration Program must be assigned to and become the property of the utility administering the programs.

2. The existence of a net metering contract pursuant to subsection 1 does not excuse the utility from negotiating alternative arrangements with a customer for net metering in a manner consistent with the provisions of this chapter and the utility's tariff.

Sec. 13. 1. The utility shall:

(a) Establish a point of contact between the utility and a customer so that the customer may inquire about net metering or request an application form for net metering; and

(b) Make available at the office of the utility and on the Internet website maintained by the utility an application form for net metering, a copy of the standard net metering contract and a written description in plain English describing the process by which a customer may interconnect with the utility under net metering.

2. *The utility shall send the documents described in paragraph (b) of subsection 1 to the customer within 5 business days after the date of receipt of the request for an application form.*

3. *The utility shall, at least semiannually in a bill insert, indicate the availability of the application form for net metering and how it may be obtained.*

Sec. 14. 1. The utility shall:

(a) If an application for net metering is complete and complies with the standards set forth in NRS 704.774, review the application for approval and send a standard net metering contract to the customer for signature within 10 business days after receipt by the utility of the application.

(b) If an application for net metering is incomplete or does not comply with the standards set forth in NRS 704.774, return the application to the customer within 10 business days after receipt by the utility of the application with an explanation specifying in sufficient detail the application's deficiencies to enable the customer to correct such deficiencies on the application for resubmission.

2. *The utility shall authorize interconnection by the customer or provide to the customer a written description of any deficiencies that must be corrected before interconnection is authorized within 10 business days after the utility:*

(a) Is notified by the customer that installation of the net metering system is complete; and

(b) Receives a copy of any required document relating to a final inspection or clearance of the net metering system issued by any other governmental entity with jurisdiction over the installation of the net metering system.

3. At or before the time the utility authorizes the interconnection by the customer, the utility shall send a copy of the fully executed contract to the customer.

4. The utility shall notify any customer who receives or requests an application for net metering that the customer may contact the Division of Consumer Complaint Resolution of the Commission if the customer is dissatisfied with the timeliness of the response by the utility to the application for net metering.

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R032-08**

The Public Utilities Commission of Nevada adopted regulations assigned LCB File No. R032-08 which pertain to chapter 704 of the Nevada Administrative Code.

INFORMATIONAL STATEMENT

1. A description of how public comment was solicited, a summary of public response, and explanation of how other interested persons may obtain a copy of the summary.

Copies of the proposed regulations, notice of intent to act upon the regulation and notice of workshop and hearing were sent by U.S. mail and email to persons who were known to have an interest in prescribing the form and substance of a standard net metering contract and tariff. These documents were also made available at the website of the Public Utilities Commission (“PUC”), <http://pucweb1.state.nv.us/PUCN/>, mailed to all county libraries in Nevada, published in the following newspapers:

Elko Daily Free Press
Las Vegas Review Journal
Nevada Appeal
Reno Gazette Journal
Tonopah Times-Bonanza

and posted at the following locations:

Public Utilities Commission
1150 East William Street
Carson City, NV 89701

First Judicial District Court
885 East Musser Street
Carson City, Nevada 89701

Eighth Judicial District Court
Regional Justice Center
200 Lewis Avenue
Las Vegas, NV 89155

Public Utilities Commission
101 Convention Center Drive, Suite 250
Las Vegas, NV 89109

Second Judicial District Court
75 Court Street
Reno, NV 89501

Participants discussed procedures for utility customers to apply to participate in net metering including recommended time periods for the utility to respond to inquiries and applications, disposition of portfolio energy credits, and installation of and payment for different meters.

Transcripts of the proceedings are available for review at the office of the PUC, 1150 East William Street, Carson City, Nevada 89701 and 101 Convention Center Drive, Suite 250, Las Vegas, Nevada 89109.

2. **The number of persons who:**
 - (a) **attended each hearing:** April 16, 2008 - 7
 - (b) **testified at each hearing:** April 16, 2008 - 4
 - (c) **submitted to the agency written comments:** 8

3. **A description of how comment was solicited from affected businesses, a summary of their response and an explanation how other interested persons may obtain a copy of the summary.**

Comments were solicited from affected businesses in the same manner as they were solicited from the public.

The summary may be obtained as instructed in the response to question #1.

4. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

The permanent regulations were adopted on May 21, 2008.

5. **The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:**
 - (a) **Both adverse and beneficial effects;**
 - (b) **Both immediate and long-term effects;**

(a) Both adverse and beneficial effects:

No adverse effects of the proposed regulations on small businesses are anticipated. The streamlining of the application process may save time and money for the utility, the public, and small businesses. No additional costs are anticipated for small businesses.

(b) Both immediate and long-term effects:

See Item #5(a).

6. **The estimated cost to the agency for enforcement of the adopted regulation.**

There is no additional cost to the agency for enforcement of these regulations.

7. **A description of any regulation of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the**

duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

These regulations do not overlap or duplicate any federal, state, or local regulations.

8. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

N/A

9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

N/A

10. If the proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business? What methods did the agency use in determining the impact of the regulation on a small business?

The PUC determined that the proposed regulations do not impose a direct and significant economic burden upon a small business or restrict the formation, operation or expansion of a small business. In making this determination, the PUC adopted the findings of the Regulatory Operations Staff, which conducted a Delphi Method exercise to determine the impacts. The Delphi Method is a systematic, interactive, forecasting method based on independent inputs of selected experts.