

**LCB File No. R140-09**

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

**Docket No. 09-06031**

**September 23, 2009**

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

**AUTHORITY:**

A REGULATION relating to public utilities; establishing provisions relating to third party system owners and operators; and providing other matters properly relating thereto.

**Section 1.** Chapter 704 of NAC as amended by LCB File No. R032-08 is hereby amended by adding thereto the provisions set forth in 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. X. “Third Party System Owner or Operator” has the meaning ascribed to it in NRS 704.021(9).***

**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 *or as negotiated between the customer generator and third party system owner or operator*, 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.

*Sec. X. The customer generator may designate the third party system owner or operator to work with the utility on his behalf regarding his net metering system.*

*Sec. X. The relationship between a customer-generator and a third party system owner or operator shall in no way adversely impact the customer-generator's ability to participate in any utility program that promotes or encourages renewable energy development.*