

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 make the definitions set forth in **sections 2-7** applicable to
9 the law governing net metering. **Sections 12-14** of this bill revise existing
10 provisions governing net metering to provide for the administration of net metering
11 with respect to low-income housing shared net metering systems, including the
12 measuring of net electricity produced or consumed and the awarding of credit for
13 excess electricity produced by a low-income housing shared net metering system.
14 **Section 12** of this bill requires the Public Utilities Commission of Nevada to adopt
15 regulations prescribing the form and substance for a low-income housing shared net
16 metering tariff or tariffs and a standard low-income housing shared net metering
17 contract. **Section 15** of this bill provides that, with certain exceptions, certain
18 provisions governing the rates charged for the provision of electric service by the



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

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) *In the case of common-area meters or master meters, a*
27 *capacity that is sized to supply not more than 100 percent of the*
28 *metered historic usage or reasonably expected future usage; and*

29 (b) *In the case of meters serving tenant units, a capacity of not*
30 *more than 25 kilowatts per unit; and*

31 7. *Is net metered by the utility by allocating net metering*
32 *credits 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 the meter of each user.*



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. 4.5.** *“Net metering credits” means the credit that the*
5 *utility is required to provide to a customer-generator for each*
6 *kilowatt-hour of excess electricity governed by paragraph (c) of*
7 *subsection 2 of NRS 704.775 that is generated by the*
8 *customer-generator.*

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

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

13 2. *A housing assistance program administered by the United*
14 *States Department of Agriculture under Title V of the federal*
15 *Housing Act of 1949;*

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

18 4. *Such other affordable housing programs as federal law*
19 *may provide.*

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

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

24 2. *For which the financial benefits of the electricity produced*
25 *by the energy facility are allocated equitably among the occupants*
26 *of the dwelling units of the qualified low-income residential*
27 *building.*

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

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

31 (a) *Contains one or more qualifying low-income residential*
32 *buildings that are part of a single low-income housing enterprise;*
33 *and*

34 (b) *Consists of tenant housing units, which may be*
35 *individually metered and the occupants of which may maintain*
36 *individual customer accounts with the utility, along with common*
37 *areas served by one or more common meters under the customer*
38 *account of the property owner.*

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

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

43 704.021 “Public utility” or “utility” does not include:

44 1. Persons engaged in the production and sale of natural gas,
45 other than sales to the public, or engaged in the transmission of



1 natural gas other than as a common carrier transmission or
2 distribution line or system.

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

6 (a) They serve 25 persons or less; and

7 (b) Their gross sales for water or services for the disposal of
8 sewage, or both, amounted to \$25,000 or less during the
9 immediately preceding 12 months.

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

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

22 5. Persons who are subject to the provisions of NRS 590.465 to
23 590.645, inclusive.

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

26 7. Persons who provide water from water storage, transmission
27 and treatment facilities if those facilities are for the storage,
28 transmission or treatment of water from mining operations.

29 8. Persons who are video service providers, as defined in NRS
30 711.151, except for those operations of the video service provider
31 which consist of providing a telecommunication service to the
32 public, in which case the video service provider is a public utility
33 only with regard to those operations of the video service provider
34 which consist of providing a telecommunication service to the
35 public.

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

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

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



1 (b) The residential or commercial units or spaces do not have
2 individual meters measuring electricity use by an individual unit or
3 space; and

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

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

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

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

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

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


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

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

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

31 704.767 As used in NRS 704.766 to 704.776, inclusive, *and*
32 *sections 2 to 7, inclusive, of this act*, unless the context otherwise
33 requires, the words and terms defined in NRS 704.7675 to 704.772,
34 inclusive, *and sections 2 to 7, inclusive, of this act* have the
35 meanings ascribed to them in those sections.

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

37 704.768 "Customer-generator" means a user of a net metering
38 system , *including, without limitation:*

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

41 2. *Any user of a low-income housing shared net metering*
42 *system, including, without limitation, tenant meters and common*
43 *area meters that receive an allocation of the capacity and*
44 *associated production of the low-income housing shared net*



1 *metering system, regardless of the legal ownership of the low-*
2 *income housing shared net metering system.*

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

4 704.771 1. "Net metering system" means:

5 (a) A facility or energy system for the generation of electricity
6 that:

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

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

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

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

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

15 (b) A facility or energy system for the generation of electricity
16 that:

17 (1) Uses waterpower as its primary source of energy to
18 generate electricity;

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

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

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

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

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

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

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

31 (3) Which has a generating capacity of not more than 1
32 megawatt;

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

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

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

39 (7) The construction or installation of which is commenced
40 on or before December 31, 2011, and is completed on or before
41 December 31, 2012 ~~for~~; or

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

43 2. The term does not include a facility or energy system for the
44 generation of electricity, *other than a low-income housing shared*



1 *net metering system*, which has a generating capacity that exceeds
2 the greater of:

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

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

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

8 704.773 1. A utility shall offer net metering in accordance
9 with the provisions of NRS 704.766 to 704.776, inclusive, *and*
10 *sections 2 to 7, inclusive, of this act* to the customer-generators
11 operating within its service area.

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

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

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

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

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

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

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

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

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

41 (b) Except as otherwise provided in paragraph (d) and
42 subsection 7, shall not charge the customer-generator any fee or
43 charge that is different than that charged to other customers of the
44 utility in the rate class to which the customer-generator would
45 belong if the customer-generator did not have a net metering system,



1 including, without limitation, customer, demand and facility
2 charges.

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

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

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

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

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

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

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

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

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

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

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

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



1 (a) Retaining the percentage set forth in subsection 3 of NRS
2 704.7732 to be used to determine the credit for electricity governed
3 by paragraph (c) of subsection 2 of NRS 704.775, which is
4 applicable to the customer-generator; and

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

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

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

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

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

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

21 (c) A timeline for processing applications and contracts for net
22 metering applicants.

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

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

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

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

43 ***(1) In the case of individually metered tenant units, net***
44 ***metering credits are equitably allocated among the tenant units as***



1 *a percentage of system production in proportion to the size of each*
2 *unit measured in square feet; and*

3 (2) *In the case of master-metered buildings, residents*
4 *receive such financial benefits in the form of additional property*
5 *amenities or services that are equitably accessible to all residents*
6 *of the property.*

7 ↪ *An equitable allocation of the financial benefits of the*
8 *electricity produced by the low-income housing shared net*
9 *metering system to the occupants does not preclude any allocation*
10 *of the generation output to common-area accounts.*

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

16 (d) *The manner in which a utility is required to meter and bill*
17 *customer-generators who are allocated shares of the capacity of a*
18 *low-income housing net metering system, including, without*
19 *limitation, the provision of net metering credits on the bill of a*
20 *customer-generator.*

21 (e) *Provisions governing the interconnection of a low-income*
22 *housing shared net metering system to the system of the utility*
23 *without requiring the meters of individual users or owners of the*
24 *low-income housing shared net metering system to be directly*
25 *interconnected to the low-income housing shared net metering*
26 *system, including, without limitation, procedures and timelines*
27 *that are consistent with the procedures and timelines established*
28 *for other net metering systems.*

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

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

33 704.7732 1. If a customer-generator accepts the offer of a
34 utility for net metering on or after June 15, 2017, and the net
35 metering system of the customer-generator has a capacity of not
36 more than 25 kilowatts **[]** *or the customer-generator is a user or*
37 *owner of a low-income housing shared net metering system,* the
38 utility must, in accordance with this section, provide to the
39 customer-generator a credit for each kilowatt-hour of excess
40 electricity governed by paragraph (c) of subsection 2 of NRS
41 704.775 that is generated by the customer-generator **[]** *or which*
42 *represents the customer-generator's allocation of the excess*
43 *electricity generated by a low-income housing shared net metering*
44 *system.*



1 2. The credit for each kilowatt-hour of excess electricity
2 described in subsection 1 must equal a percentage, as set forth in
3 subsection 3, of the rate the customer-generator would have paid for
4 a kilowatt-hour of electricity supplied by the utility at the time the
5 customer-generator fed the kilowatt-hour of excess electricity back
6 to the utility.

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

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

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

12 (2) Before the date on which the Commission determines and
13 posts on its Internet website its determination that the cumulative
14 installed capacity of all net metering systems in this State with a
15 capacity of not more than 25 kilowatts for customer-generators who
16 accepted the offer of the utility for net metering on or after June 15,
17 2017, is equal to 80 megawatts;

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

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

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

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

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

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

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



1 4. On or before the 15th day of each calendar month, a utility
2 shall post on its Internet website and report to the Commission the
3 cumulative installed capacity of the net metering systems with a
4 capacity of not more than 25 kilowatts for which a customer-
5 generator has accepted the offer of that utility as of the close of
6 business of the utility on the last business day of the immediately
7 preceding calendar month.

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

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

21 704.775 1. The billing period for net metering must be a
22 monthly period.

23 2. The net energy measurement must be calculated in the
24 following manner:

25 (a) The utility shall measure, in kilowatt-hours, the net
26 electricity produced or consumed during the billing period **[]**:

27 *(1) For a net metering system that serves only one meter, in*
28 *accordance with normal metering practices.*

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

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

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



1 (b) If the electricity supplied by the utility exceeds the electricity
2 generated by the customer-generator , *or the customer-generator's*
3 *allocated share of the electricity generated by a low-income*
4 *housing shared net metering system*, which is fed back to the utility
5 during the billing period, the customer-generator must be billed for
6 the net electricity supplied by the utility.

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

13 (1) Neither the utility nor the customer-generator is entitled
14 to compensation for the electricity provided to the other during the
15 billing period.

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

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

29 (I) The net metering system ceases to operate or is
30 disconnected from the utility's transmission and distribution
31 facilities;

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

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

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

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

40 (a) In whole or in part by a utility, the electricity generated by
41 the net metering system shall be deemed to be electricity that the
42 utility generated or acquired from a renewable energy system for the
43 purposes of complying with its portfolio standard pursuant to NRS
44 704.7801 to 704.7828, inclusive.



(b) Entirely by a customer-generator, *including a customer-generator that is the owner of a low-income housing shared net metering system*, the Commission shall issue to the customer-generator portfolio energy credits for use within the system of portfolio energy credits adopted by the Commission pursuant to NRS 704.7821 and 704.78213 equal to the electricity generated by the net metering system.

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

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

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

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

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

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

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

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

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



1 3. To the extent that the cost of providing a utility service to
2 the common area of a manufactured home park, mobile home park
3 or company town can be identified, the landlord or owner may not
4 recover the cost of the utility service provided to the common area
5 by directly charging a tenant or the occupant of a dwelling for those
6 services.

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

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

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

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

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

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



1 the costs which an owner of a company town may recover for
2 providing a utility service directly to the occupants of that town and
3 the terms and conditions governing the provision of that service.

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

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

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

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

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

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

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

43 **Sec. 16.** 1. This section becomes effective upon passage and
44 approval.

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



- 1 (a) Upon passage and approval for the purpose of adopting any
- 2 regulations and performing any other preparatory administrative
- 3 tasks that are necessary to carry out the provisions of this act.
- 4 (b) On January 1, 2024, for all other purposes.



