

**Senator Wayne A. Harper** proposes the following substitute bill:

**NET METERING ENERGY AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: \_\_\_\_\_

**LONG TITLE**

**General Description:**

This bill modifies provisions related to net metering of electricity by large scale electric utilities and the determination of net metering rates and charges.

**Highlighted Provisions:**

This bill:

- ▶ requires a large-scale electric utility to provide customers a set rate for credits on excess energy those customers generate, with the set rate being effective for 20 years based on rates in effect when the customer's system was connected; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**54-15-104**, as last amended by Laws of Utah 2015, Chapter 324

**54-15-105.1**, as enacted by Laws of Utah 2014, Chapter 53



26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **54-15-104** is amended to read:

28 **54-15-104. Charges or credits for net electricity.**

29 (1) Each electrical corporation with a customer participating in a net metering program  
30 shall measure net electricity during each monthly billing period, in accordance with normal  
31 metering practices.

32 (2) If net metering does not result in excess customer-generated electricity during the  
33 monthly billing period, the electrical corporation shall bill the customer for the net electricity,  
34 in accordance with normal billing practices.

35 (3) Subject to Subsection (4), if net metering results in excess customer-generated  
36 electricity during the monthly billing period:

37 (a) (i) for an electrical corporation that is not a large-scale electric utility, the electrical  
38 corporation shall credit the customer for the excess customer-generated electricity based on the  
39 meter reading for the billing period at a value that is at least avoided cost, or as determined by  
40 the governing authority; and

41 (ii) ~~[all credits that the customer does not use during the annualized billing period~~  
42 ~~expire at the end of the annualized billing period]~~ for a large-scale electric utility, the  
43 large-scale electric utility shall credit the customer for the excess customer-generated electricity  
44 based on the meter reading for the billing period at a value that is determined in accordance  
45 with the updated rate schedule established under Section [54-15-105.1](#); and

46 (b) as authorized by the governing authority, the electrical corporation may bill the  
47 customer for customer charges that otherwise would have accrued during that billing period in  
48 the absence of excess customer-generated electricity.

49 (4) At the end of an annualized billing period~~;~~:

50 (a) all credits that the customer does not use during the annualized billing period expire  
51 at the end of the annualized billing period; and

52 (b) an electrical corporation's avoided cost value of remaining unused credits[  
53 ~~described in Subsection (3)(a)] shall be granted:~~

54 ~~[(a)]~~ (i) to the electrical corporation's low-income assistance programs as determined  
55 by the governing authority; or

56 ~~[(b)]~~ (ii) for another use as determined by the governing authority.

57 Section 2. Section 54-15-105.1 is amended to read:

58 **54-15-105.1. Determination of costs and benefits -- Determination of just and**  
59 **reasonable charge, credit, or ratemaking structure.**

60 (1) ~~[The]~~ Except as provided in Subsection (2), the governing authority shall:

61 ~~[(1)]~~ (a) determine, after appropriate notice and opportunity for public comment,  
62 whether costs that the electrical corporation or other customers will incur from a net metering  
63 program will exceed the benefits of the net metering program, or whether the benefits of the net  
64 metering program will exceed the costs; and

65 ~~[(2)]~~ (b) determine a just and reasonable charge, credit, or ratemaking structure,  
66 including new or existing tariffs, in light of the costs and benefits.

67 (2) For customers served by a large-scale electric utility and subject to a tariff with a  
68 variable export credit, a customer's credit for exported energy may not be less than the credit  
69 value effective on the date of the system's executed interconnection agreement for a period of  
70 20 years.

71 Section 3. **Effective date.**

72 This bill takes effect on May 1, 2024.