

SB0189S01 compared with SB0189

~~{deleted text}~~ shows text that was in SB0189 but was deleted in SB0189S01.

inserted text shows text that was not in SB0189 but was inserted into SB0189S01.

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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 ~~{regarding the}~~ related to net metering of electricity by large scale electric utilities and the determination of net metering rates and charges.

Highlighted Provisions:

This bill:

- ▶ ~~{changes how a customer's credit for customer-generated energy is calculated}~~ 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

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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

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

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

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

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

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

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

(a) (i) for an electrical corporation that is not a large-scale electric utility, the electrical corporation shall credit the customer for the excess customer-generated electricity based on the meter reading for the billing period at a value that is at least avoided cost ~~{f}~~, or as determined by the governing authority ~~{f} and as determined in Section 54-15-105.1~~; and

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

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

(4) At the end of an annualized billing period ~~{;}~~;

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

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

(a) (i) to the electrical corporation's low-income assistance programs ~~{ for incremental benefits }~~ as determined by the governing authority; or

(b) (ii) for another use as determined by the governing authority ~~{ for the benefit of low-income customers }~~.

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

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

~~(1) { As used in this section, "actual customer cost" means the average total customer cost of electricity service on a given electric service rate schedule, including the retail energy charges, and customer charges, divided by the average monthly electricity consumption measured in kilowatt-hours, utilizing data from the last completed rate case.~~

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

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

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

~~(3) 2) For residential and small commercial customers served by a large-scale electric utility, when determining a just and reasonable credit described in Subsection (2)(b), the governing authority shall approve a credit that is at least 84% of the actual customer cost~~ and subject to a tariff with a variable export credit, a customer's credit for exported energy may not be less than the credit value effective on the date of the system's executed interconnection agreement for a period of 20 years.

Section 3. **Effective date.**

This bill takes effect on May 1, 2024.