

SENATE BILL NO. 288—SENATOR SETTELMAYER

MARCH 21, 2011

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions governing renewable energy.
(BDR 58-1026)

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 energy; revising the prospective expiration of the Waterpower Energy Systems Demonstration Program; revising provisions governing net metering systems that use waterpower to generate electricity; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 **Sections 1 and 3-5** of this bill extend the prospective expiration of the
2 Waterpower Energy Systems Demonstration Program.
3 Net metering measures the difference between the electricity supplied by a
4 utility to a customer-generator and the electricity generated by a renewable energy
5 system of the customer-generator which is fed back to the utility. Under existing
6 law, an electric utility is required to offer net metering to customer-generators until
7 the cumulative capacity of all net metering systems within the service area of the
8 utility is equal to 1 percent of the utility's peak capacity. Existing law also requires
9 that a net metering system be located on the premises of the customer-generator.
10 (NRS 704.771, 704.773) **Section 2** of this bill removes the requirement that a net
11 metering system be located on the premises of the customer-generator, if the system
12 uses waterpower as its primary source of energy to generate electricity intended
13 primarily to offset part or all of the customer-generator's requirements for
14 electricity on the property of the customer-generator on which the net metering
15 system is located or on contiguous property owned by the customer-generator.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 701B.840 is hereby amended to read as follows:

701B.840 The Commission shall adopt regulations that establish:

1. The capacity goals for the Program, which must be designed to meet the goal of the Legislature of the installation of not less than 500 kilowatts of waterpower energy systems in this State by ~~2012~~ 2014 and the goals for each category of the Program.

2. A system of incentives that are based on rebates that decline as the capacity goals for the Program and the goals for each category of the Program are met. The rebates must be based on predicted energy savings.

3. The procedure for claiming incentives, including, without limitation, the form and content of the incentive claim form.

Sec. 2. NRS 704.771 is hereby amended to read as follows:

704.771 1. "Net metering system" means ~~1a~~:

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

~~(a)~~ *(1) Uses renewable energy as its primary source of energy to generate electricity;*

~~(b)~~ *(2) Has a generating capacity of not more than 1 megawatt;*

~~(c)~~ *(3) Is located on the customer-generator's premises;*

~~(d)~~ *(4) Operates in parallel with the utility's transmission and distribution facilities; and*

~~(e)~~ *(5) Is intended primarily to offset part or all of the customer-generator's requirements for electricity* ~~H~~; *or*

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

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

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

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

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

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

2. The term does not include a facility or energy system for the generation of electricity which has a generating capacity that exceeds the greater of:



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

(b) One hundred fifty percent of the peak demand of the customer.

Sec. 3. Section 113 of chapter 509, Statutes of Nevada 2007, at page 2999, is hereby amended to read as follows:

Sec. 113. 1. This act becomes effective:

(a) Upon passage and approval for the purposes of adopting regulations and taking such other actions as are necessary to carry out the provisions of this act; and

(b) For all other purposes besides those described in paragraph (a):

(1) For this section and sections 1, 30, 32, 36 to 46, inclusive, 49, 51 to 61, inclusive, 107, 109, 110 and 111 of this act, upon passage and approval.

(2) For sections 1.5 to 29, inclusive, 43.5, 47, 51.3, 51.7, 108, 112 and 112.5 of this act, on July 1, 2007.

(3) For sections 62 to 106, inclusive, of this act, on October 1, 2007.

(4) For sections 31, 32.3, 32.5, 32.7, 33, 34 and 35 of this act, on January 1, 2009.

(5) For section 48 of this act, on January 1, 2010.

(6) For section 50 of this act, on January 1, 2011.

2. Sections 62 to ~~106.1~~ 86, inclusive, of this act expire by limitation on June 30, 2011.

3. Sections 87 to 105, inclusive, of this act expire by limitation on June 30, 2013.

Sec. 4. Section 13 of chapter 246, Statutes of Nevada 2009, at page 1002, is hereby amended to read as follows:

Sec. 13. 1. This act becomes effective on July 1, 2009.

2. ~~Sections 2 and 3~~ **Section 2** of this act ~~expire~~ **expires** by limitation on June 30, 2011.

3. Section 3 of this act expires by limitation on June 30, 2013.

Sec. 5. Section 21 of chapter 321, Statutes of Nevada 2009, at page 1410, is hereby amended to read as follows:

Sec. 21. 1. This section and sections 1 to 1.51, inclusive, 1.55 to 19.7, inclusive, and 19.9 to 20.9, inclusive, of this act become effective upon passage and approval.

2. Sections 1.51, 1.85, 1.87, 1.92, 1.93 ~~1.95,~~ **and 4.3** to ~~19.1~~ **7**, inclusive, ~~and 19.4~~ of this act expire by limitation on June 30, 2011.

3. ~~Sections 1.53 and 19.8~~ **Section 1.53** of this act ~~become~~ **becomes** effective on July 1, 2011.



1 4. Sections 1.95 and 7.1 to 9, inclusive, of this act
2 expire by limitation on June 30, 2013.

3 5. Section 19.8 of this act becomes effective on
4 July 1, 2013.

5 **Sec. 6.** 1. This section and sections 3, 4 and 5 of this act
6 become effective upon passage and approval.

7 2. Section 1 of this act becomes effective on July 1, 2011, and
8 expires by limitation on June 30, 2013.

9 3. Section 2 of this act becomes effective on July 1, 2011.

