

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 net metering of electricity.

Highlighted Provisions:

This bill:

- ▶ changes how a customer's credit for customer-generated energy is calculated.

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

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.



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

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

33 (a) (i) the electrical corporation shall credit the customer for the excess
34 customer-generated electricity based on the meter reading for the billing period at a value that
35 is at least avoided cost~~[, or as determined by the governing authority]~~ and as determined in
36 Section 54-15-105.1; and

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

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

42 (4) At the end of an annualized billing period, an electrical corporation's avoided cost
43 value of remaining unused credits described in Subsection (3)(a) shall be granted:

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

46 (b) for another use as determined by the governing authority for the benefit of
47 low-income customers.

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

49 **54-15-105.1. Determination of costs and benefits -- Determination of just and**
50 **reasonable charge, credit, or ratemaking structure.**

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

55 (2) The governing authority shall:

56 [(+)] (a) determine, after appropriate notice and opportunity for public comment,
57 whether costs that the electrical corporation or other customers will incur from a net metering
58 program will exceed the benefits of the net metering program, or whether the benefits of the net

59 metering program will exceed the costs; and

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

62 (3) For residential and small commercial customers served by a large-scale electric
63 utility, when determining a just and reasonable credit described in Subsection (2)(b), the
64 governing authority shall approve a credit that is at least 84% of the actual customer cost.

65 Section 3. **Effective date.**

66 This bill takes effect on May 1, 2024.