

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

*As Engrossed: H4/5/13*

# A Bill

HOUSE BILL 1456

5 By: Representative S. Meeks  
6

## For An Act To Be Entitled

8 AN ACT TO REQUIRE UTILITIES TO COMPENSATE NET-  
9 METERING CUSTOMERS FOR NET EXCESS GENERATION CREDITS  
10 IN CERTAIN CIRCUMSTANCES; TO MAKE TECHNICAL  
11 CORRECTIONS; AND FOR OTHER PURPOSES.  
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### Subtitle

15 TO REQUIRE UTILITIES TO COMPENSATE NET-  
16 METERING CUSTOMERS FOR NET EXCESS  
17 GENERATION CREDITS IN CERTAIN  
18 CIRCUMSTANCES.  
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20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. Arkansas Code § 23-18-604 is amended to read as follows:

24 (a) An electric utility shall allow net-metering facilities to be  
25 interconnected using a standard meter capable of registering the flow of  
26 electricity in two (2) directions.

27 (b) Following notice and opportunity for public comment, the Arkansas  
28 Public Service Commission:

29 (1) Shall establish appropriate rates, terms, and conditions for  
30 net-metering contracts, including a requirement that ~~metering~~ net-metering  
31 equipment be installed to ~~both~~ accurately measure the electricity ~~supplied;~~

32 (A) Supplied by the electric utility to each net-metering  
33 customer; and ~~also to accurately measure the electricity generated~~

34 (B) Generated by each net-metering customer that is fed  
35 back to the electric utility over the applicable billing period;

36 (2) May authorize an electric utility to assess a net-metering



1 customer a greater fee or charge of any type, if the electric utility's  
 2 direct costs of interconnection and administration of net metering outweigh  
 3 the distribution system, environmental, and public policy benefits of  
 4 allocating the costs among the electric utility's entire customer base;

5 (3) Shall require electric utilities to credit a net-metering  
 6 customer with any accumulated net excess generation in the next applicable  
 7 billing period;

8 (4) May expand the scope of net metering to include additional  
 9 facilities that do not use a renewable energy resource for a fuel ~~or may~~  
 10 ~~increase the peak limits for individual net metering facilities~~, if so doing  
 11 results in ~~desirable~~ distribution system, environmental, or public policy  
 12 benefits;

13 (5) May increase the peak limits for individual net-metering  
 14 facilities, if doing so results in distribution system, environmental, or  
 15 public policy benefits; and

16 ~~(5)~~ (6) Shall provide that:

17 (A) ~~Any~~ The electric utility shall purchase at the  
 18 electric utility's avoided costs of wholesale power minus a transmission fee  
 19 not exceeding ten percent (10%) any net excess generation credit remaining in  
 20 a net-metering customer's account at:

21 (i)(a) At the close of an annual billing cycle shall  
 22 expire net excess generation accumulation period for net metering, which is  
 23 from May 1 through April 30.

24 (b) However, if the total amount of the  
 25 purchase price to be paid under subdivision (b)(6)(A)(i)(a) of this section  
 26 is less than one hundred dollars (\$100), the electric utility may credit the  
 27 net-metering customer's account for the purchase price rather than purchasing  
 28 the net excess generation credits; and

29 (ii) When the net-metering customer:

30 (a) Ceases to be a customer of the electric  
 31 utility;

32 (b) Ceases to operate the net-metering  
 33 facility; or

34 (c) Transfers the net-metering facility to  
 35 another person; and

36 (B) ~~Any~~ A renewable energy credit created as the result of

1 electricity supplied by a net-metering customer is the property of the net-  
2 metering customer that generated the renewable credit.

3 (c)(1) As used in this section, "avoided costs" means the same as  
4 defined in § 23-3-702.

5 (2) Avoided costs shall be determined under § 23-3-704.

6 (d)(1) Except as provided in subdivision (d)(2) of this section, an  
7 electric utility shall separately meter, bill, and credit each net-metering  
8 facility even if one (1) or more net-metering facilities are under common  
9 ownership.

10 (2) At the electric utility's discretion, an electric utility  
11 may apply net-metering credits from a net-metering facility to the bill for  
12 another meter location if the net-metering facility and the separate meter  
13 location are under common ownership.

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15 /s/S. Meeks  
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