

Distributed Solar Policy Case Study: **NEVADA**



National Conference of State Legislatures

National Association of State Energy Officials

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History of Net Metering in NV

- 1997 – Senate Bill 255 established net metering program; declares:

“It is hereby declared to be the purpose and policy of the legislature to:

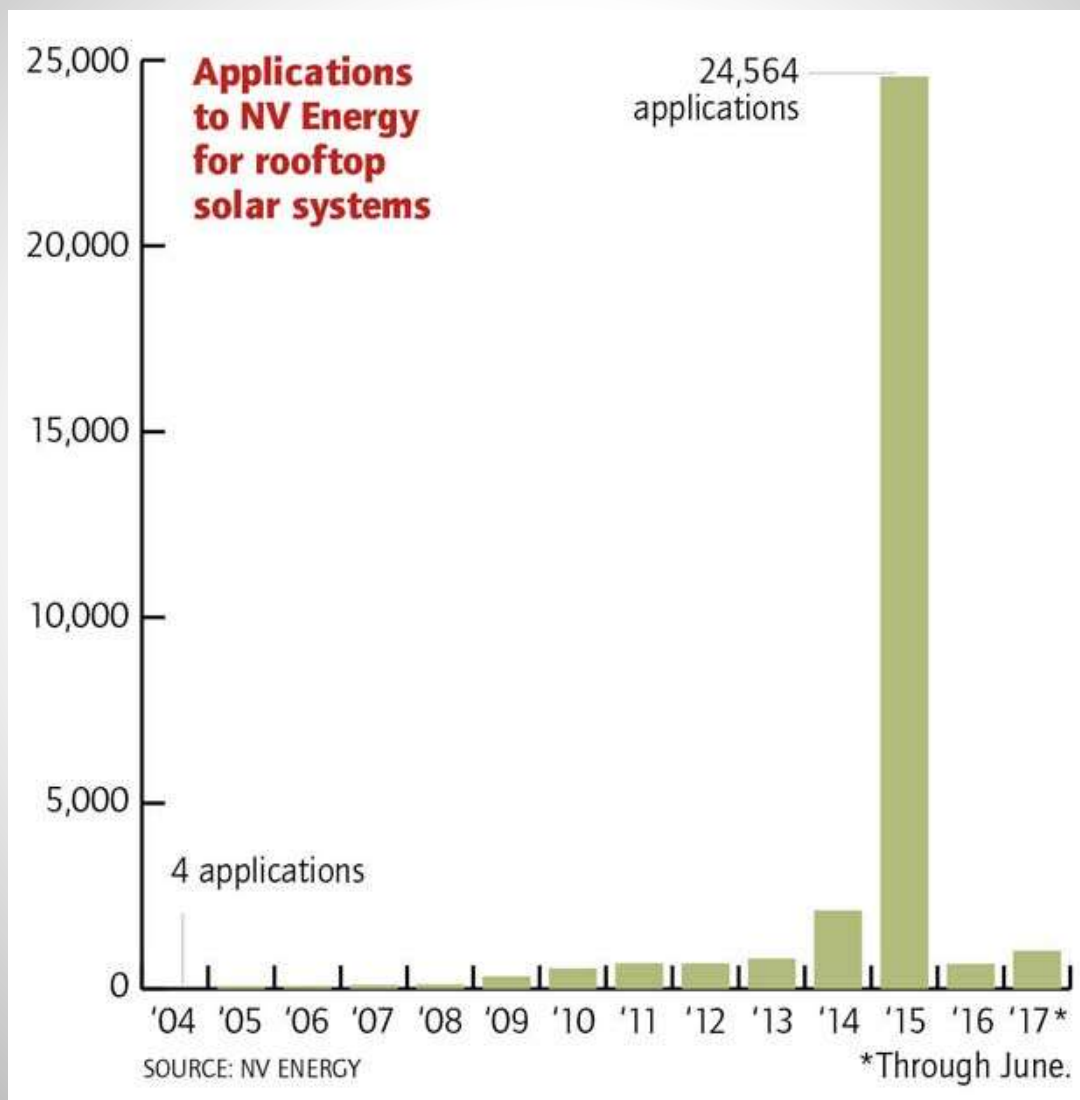
- 1. Encourage private investment in renewable energy resources;*
- 2. Stimulate the economic growth of this state; and*
- 3. Enhance the continued diversification of the energy resources used in this state.” – NRS 704.766*

- 2011 – Senate Bill 59 established compliance cap at 2% peak capacity
- 2013 – Assembly Bill 428 established compliance cap at 3% peak capacity
- 2015 – Senate Bill 374:

“... The Commission... shall not approve a tariff filed... or authorize any rates or charges for net metering that unreasonably shift costs from customer-generators to other customers of the utility.” – NRS 704.7735(4)



History of Net Metering in NV





New Energy Industry Task Force

Established by Executive Order 2016-04, the New Energy Industry Task Force shall work with the Director of the Governor's Office of Energy to provide recommendations on the best energy policies for Nevada's future and shall specifically address policies that achieve the following:

- *Encourage the development of clean energy sources and integrate renewable energy technologies into Nevada's energy sector;*
- *Create a modern, resilient, and cost-effective energy grid; and*
- ***Support distributed generation and storage, with a specific focus on rooftop solar and net metering.***



2016 Sierra Pacific Power General Rate Case

- Allowed up to 6 MW of additional installed capacity of rooftop solar energy systems for existing and new customer-generators under the prior NEM terms and rates for Sierra Pacific Power (Northern Nevada)
- Retained separate rate classes

“Resolution of valuation of NEM issues in Nevada requires more study and collaboration. But the policy of the State of Nevada clearly supports the development and growth of diverse forms of solar and renewable energy as a priority, including NEM.” – PUCN Docket No. 16-06006 et al. Order issued 12/28/17 at p. 2



Assembly Bill 405

“Renewable Energy Bill of Rights”

The Legislature hereby declares that each natural person who is a resident of this state has the right to:

1. Generate, consume and export renewable energy and reduce his or her use of electricity that is obtained from the grid.
2. Use technology to store energy at his or her residence.
3. If the person generates renewable energy pursuant to subsection 1 above, or stores energy pursuant to subsection 2 above, or any combination thereof, be allowed to connect his or her system that generates renewable energy or stores energy, or any combination thereof, with the electricity meter on the customer’s side that is provided by an electric utility or any other person named and defined in chapters 704, 704A and 704B of NRS:
 - (a) In a timely manner;
 - (b) In accordance with requirements established by the electric utility to ensure the safety of utility workers; and
 - (c) After providing written notice to the electric utility providing service in the service territory and installing a nomenclature plate on the electrical meter panel indicating that a system that generates renewable energy or stores energy, or any combination thereof, is present if the system:
 - (1) Is not used for exporting renewable energy past the electric utility meter on the customer’s side; and
 - (2) Meets all applicable state and local safety and electrical code requirements.
4. Fair credit for any energy exported to the grid.
5. Consumer protections in contracts for renewable energy pursuant to Sections 2 to 20, inclusive, of AB405.
6. Have his or her generation of renewable energy given priority in planning and acquisition of energy resources by an electric utility.
7. Except as otherwise provided in section 27 or 28.3 of AB 405, remain within the existing broad rate class to which the resident would belong in the absence of a net metering system or a system that generates renewable energy or stores energy, or any combination thereof, without any fees or charges that are different than the fees and charges assessed to customers of the same rate class, regardless of the technologies on the customer’s side of the electricity meter, including, without limitation, energy production, energy savings, energy consumption, energy storage or energy shifting technologies, provided that such technologies do not compromise the safety and reliability of the utility grid.



2017 Nevada Legislature: Assembly Bill 405

- Reinstates net metering at a percentage of retail rate (beginning at 95%) with a tiered reduction in the value of exported energy over time (across 3 tranches of 80 MW);

Tier 1		
Applied Capacity 8.975 MW*	12:07:47 pm September 27, 2017	Installed Capacity 0.881 MW*
Tier 2		
Applied Capacity 0 MW*		Installed Capacity 0 MW*
Tier 3		
Applied Capacity 0 MW*		Installed Capacity 0 MW*
Tier 4		
Applied Capacity 0 MW*		Installed Capacity 0 MW*

http://puc.nv.gov/Renewable_Energy/Net_Metering/

- Eliminates separate rate classes for all net metered customers;
- Requires PUCN to open investigatory docket to establish methodology to determine impact, if any, of net metering on ratepayers.



2017 Nevada Legislature: Other DER Advancements

- **Senate Bill 145** – continues the Solar Energy Incentive Program with a requirement for \$1M/year to go toward low income customers and incentives for energy storage systems (between 100 kW and 1,000 kW); also creates the Electric Vehicle Infrastructure Demonstration Program.
- **Senate Bill 146** - requires NV Energy to file a distributed resource plan which evaluates the locational benefits and costs of distributed resources and identifies methods of deploying distributed resources (including distributed generation systems, energy efficiency, energy storage, electric vehicles and demand response).
- **Senate Bill 204** – requires the PUCN to investigate and consider establishing storage procurement targets for NV Energy if found to be cost-effective.