

**AMENDMENT**

OFFERED IN THE HOUSE  
TO: CSSB 180(L&C)

BY REPRESENTATIVE FIELDS

1 Page 1, line 1, following "Act":

2 Insert "**relating to net metering; relating to reduced rates in the form of credits**  
3 **for consumer-generators;**"  
4

5 Page 1, following line 3:

6 Insert new bill sections to read:

7 **\*\* Section 1.** AS 42.05.391(a) is amended to read:

8 (a) Except as provided in AS 42.05.306 **and 42.05.395**, a public utility may  
9 not, as to rates, grant an unreasonable preference or advantage to any of its customers  
10 or subject a customer to an unreasonable prejudice or disadvantage. A public utility  
11 may not establish or maintain an unreasonable difference as to rates, either as between  
12 localities or between classes of service. A municipally owned utility may offer  
13 uniform or identical rates for a public utility service to customers located in different  
14 areas within its certificated service area who receive the same class of service. Any  
15 uniform or identical rate shall, upon complaint, be subject to review by the  
16 commission and may be set aside if shown to be unreasonable.

17 **\* Sec. 2.** AS 42.05.391(a), as amended by sec. 1 of this Act, is amended to read:

18 (a) Except as provided in AS 42.05.306 [AND 42.05.395], a public utility may  
19 not, as to rates, grant an unreasonable preference or advantage to any of its customers  
20 or subject a customer to an unreasonable prejudice or disadvantage. A public utility  
21 may not establish or maintain an unreasonable difference as to rates, either as between  
22 localities or between classes of service. A municipally owned utility may offer  
23 uniform or identical rates for a public utility service to customers located in different

1 areas within its certificated service area who receive the same class of service. Any  
2 uniform or identical rate shall, upon complaint, be subject to review by the  
3 commission and may be set aside if shown to be unreasonable.

4 \* **Sec. 3.** AS 42.05 is amended by adding a new section to read:

5 **Sec. 42.05.395. Net metering.** (a) A load-serving entity shall provide a net  
6 metering service that

7 (1) on a monthly basis, credits a consumer-generator's account in an  
8 amount equal to the consumer's excess electric energy generation multiplied by the  
9 rate per kilowatt-hour that would apply if the consumer were not a consumer-  
10 generator; in this paragraph, the rate per kilowatt-hour may be a seasonal or time-of-  
11 use rate; and

12 (2) allows a consumer-generator to accrue and use account credit for  
13 the consumer-generator's own consumption on an annual cycle that ends March 31 of  
14 each year, after which all accrued and unused credit expires.

15 (b) A consumer-generator may elect to receive net metering service under this  
16 section for generating capacity installed before April 1, 2027, or continue to receive  
17 service under tariff terms in effect when the generating capacity was installed.

18 (c) A load-serving entity may not limit consumer-generator participation in the  
19 net metering service within the load-serving entity's service territory unless the  
20 commission, after a hearing, finds that the limitation is necessary to protect system  
21 reliability or to prevent rates for customers that are not consumer-generators from  
22 being unjust and unreasonable.

23 (d) If revenue losses attributable to a load-serving entity's net metering service  
24 would require the entity to request approval from the commission to increase rates for  
25 customers who are not consumer-generators by more than two percent annually, the  
26 entity may request approval of the commission to modify rates for consumer-  
27 generators. A rate modification under this subsection may not increase rates for  
28 consumer-generators more than is necessary to avoid increasing rates by more than  
29 two percent annually for customers who are not consumer-generators.

30 (e) A consumer-generator may not elect to receive net metering service under  
31 this section for generating capacity installed on or after April 1, 2037. A consumer-

1 generator may only continue to receive net metering service under this section

2 (1) until April 1, 2037, for generating capacity installed before April 1,  
3 2030; or

4 (2) for up to seven years after the generating capacity was installed, for  
5 generating capacity installed on or after April 1, 2030, and before April 1, 2037.

6 (f) The commission shall adopt regulations to implement this section.

7 (g) The commission may not adopt a regulation that limits participation in a  
8 load-serving entity's net metering service based on the total capacity of generation  
9 systems used by consumer-generators participating in the service. This subsection  
10 does not limit the authority of an electric reliability organization or the commission  
11 under AS 42.05.760 - 42.05.790.

12 (h) This section applies only to load-serving entities that are served by an  
13 electric reliability organization and have total retail sales exceeding 5,000,000  
14 kilowatt-hours during a calendar year.

15 (i) In this section,

16 (1) "consumer" means a customer of a load-serving entity who  
17 consumes electricity purchased from the load-serving entity;

18 (2) "consumer-generator" means a consumer who generates electric  
19 energy

20 (A) on premises owned by, leased by, rented to, or licensed to  
21 the consumer at a location where a load-serving entity provides service;

22 (B) through a generation system

23 (i) with a capacity of 25 kilowatts or less;

24 (ii) that produces the electric energy from solar  
25 photovoltaic and solar thermal energy, wind energy, biomass energy,  
26 hydroelectric energy, geothermal energy, hydrokinetic energy, ocean  
27 thermal energy, or other renewable energy source that has a similar  
28 environmental impact; and

29 (iii) that is interconnected and operates in parallel with  
30 the load-serving entity; and

31 (C) that offsets part or all the consumer's own electrical use;

1 (3) "electric reliability organization" has the meaning given in  
2 AS 42.05.790;

3 (4) "load-serving entity" has the meaning given in AS 42.05.790.

4 \* **Sec. 4.** AS 42.05.395 is repealed April 1, 2044."

5

6 Page 1, line 4:

7 Delete "**Section 1**"

8 Insert "**Sec. 5**"

9

10 Renumber the following bill section accordingly.

11

12 Page 1, line 5:

13 Delete all material and insert:

14 "**\* Sec. 6.** Section 5 of this Act takes effect immediately under AS 01.10.070(c).

15 \* **Sec. 7.** Section 2 of this Act takes effect April 1, 2044.

16 \* **Sec. 8.** Except as provided in secs. 6 and 7 of this Act, this Act takes effect April 1, 2027."