

**SENATE BILL NO. 150**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

**BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**Introduced: 3/28/25**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to a net metering program; relating to reduced rates in the form of**  
2 **credits for consumer-generators; establishing a net metering reimbursement fund; and**  
3 **providing for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

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

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

1 \* **Sec. 2.** AS 42.05 is amended by adding a new section to read:

2 **Sec. 42.05.395. Net metering.** (a) A load-serving entity that is served by an  
3 electric reliability organization and has total retail sales exceeding 5,000,000 kilowatt-  
4 hours during a calendar year shall provide a net metering service that

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

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

12 (b) A consumer-generator may elect to receive net metering service for  
13 generating capacity installed before July 1, 2025, or to continue receiving service  
14 under tariff terms in effect when the generating capacity was installed.

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

19 (d) A load-serving entity providing a net metering service may seek recovery  
20 of revenue losses attributable to the entity's net metering service by application to the  
21 Alaska Energy Authority under AS 42.45.015.

22 (e) The commission shall adopt regulations to implement this section that, at a  
23 minimum, establish standards and procedures for calculating a load-serving entity's  
24 revenue losses eligible for recovery under (d) of this section.

25 (f) In this section,

26 (1) "consumer" means a customer of an electric utility that consumes  
27 electricity purchased from the electric utility;

28 (2) "consumer-generator" means a consumer that generates electric  
29 energy

30 (A) on premises owned by, leased by, rented to, or licensed to  
31 the consumer at a location where an electric utility provides service;

1 (B) that has a capacity of 25 kilowatts or less;

2 (C) through a generation system that produces the electric  
3 energy from solar photovoltaic and solar thermal energy, wind energy, biomass  
4 energy, hydroelectric energy, geothermal energy, hydrokinetic energy, ocean  
5 thermal energy, or other renewable energy source that has a similar  
6 environmental impact;

7 (D) that is interconnected and operates in parallel with the load-  
8 serving entity; and

9 (E) that offsets part or all the consumer's own electrical use;

10 (3) "electric reliability organization" has the meaning given in  
11 AS 42.05.790;

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

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

14 **Sec. 42.45.015. Net metering reimbursement fund.** (a) The net metering  
15 reimbursement fund is established as a separate fund. The fund consists of

16 (1) money appropriated to the fund by the legislature;

17 (2) gifts, bequests, contributions from other sources, and federal  
18 money; and

19 (3) interest earned on the fund balance.

20 (b) The authority shall administer the fund and serve as the fiduciary of the  
21 fund under AS 37.10.071.

22 (c) Subject to appropriation, the authority may make payments from the fund  
23 to a load-serving entity eligible for recoverable costs under AS 42.05.395 and  
24 implementing regulations adopted by the Regulatory Commission of Alaska.

25 (d) Nothing in this section creates a dedicated fund.

26 \* **Sec. 4.** This Act takes effect July 1, 2025.