

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
90th General Assembly  
Regular Session, 2015

As Engrossed: S3/17/15  
**A Bill**

SENATE BILL 592

By: Senator D. Johnson  
By: Representative Tucker

### For An Act To Be Entitled

AN ACT TO AMEND THE LAWS CONCERNING NET METERING; TO  
ALLOW COMMUNITY NET METERING; AND FOR OTHER PURPOSES.

### Subtitle

TO AMEND THE LAWS CONCERNING NET  
METERING; AND TO ALLOW COMMUNITY NET  
METERING.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 23-18-603 is amended to read as follows:  
23-18-603. Definitions.

As used in this subchapter:

(1) "Commission" means the Arkansas Public Service Commission or other appropriate governing body for an electric utility ~~as defined in subdivision (2) of this section;~~

(2) "Community" means a geographic area within a city of the first class, city of the second class, or unincorporated town that:

(A) Is recognized by the residents of the area as including a unique community of interests;

(B) Falls within the service territory of a single electric utility and within a single load zone; and

(C) May encompass residential, commercial, and undeveloped properties;

(3) "Community net-metering facility" means a net-metering facility that:



(A) Is owned by or serves the energy needs of two (2) or more net-metering customers that reside in a single community and are served by a single electric utility;

(B) May be owned by or serve the needs of other customers that reside in the same community and are served by the same electric utility as the net-metering customers that own or are served by the net-metering facility; and

(C) Is located within the same community as the customers that own or are served by the net-metering facility;

~~(2)~~ (4) “Electric utility” means a public or investor-owned utility, an electric cooperative, a municipal utility, or ~~any~~ a private power supplier or marketer that is engaged in the business of supplying electric energy to the ultimate consumer or any customer classes within the state;

~~(3)~~ (5) “Net excess generation” means the amount of electricity that a net-metering customer has fed back to the electric utility that exceeds the amount of electricity used by that customer during the applicable period;

~~(4)~~ (6) “Net metering” means measuring the difference between electricity supplied by an electric utility and the electricity generated by a net-metering customer and fed back to the electric utility over the applicable billing period;

~~(5)~~ (7) “Net-metering customer” means ~~an~~:

(A) An owner or user of a net-metering facility; and

(B) Collectively, the owners and customers served by a community net-metering facility;

~~(6)~~ (8) “Net-metering facility” means a facility for the production of electrical energy that:

(A) Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity, including, ~~but not limited to,~~ without limitation fuel cells and micro turbines that generate electricity if the fuel source is entirely derived from renewable resources;

(B) Has a generating capacity of not more than ~~twenty-five kilowatts (25 kW) for residential use or three hundred kilowatts (300 kW) for any other use~~ one hundred twenty percent (120%) of the net-metering customer’s requirements for electricity;

(C) Is located in Arkansas;

(D) Can operate in parallel with an electric utility's existing transmission and distribution facilities; and

(E) Is intended primarily to offset part or all of the net-metering customer requirements for electricity; and

~~(7)~~ (9) "Renewable energy credit" means the environmental, economic, and social attributes of a unit of electricity, such as a megawatt hour, generated from renewable fuels that can be sold or traded separately.

SECTION 2. Arkansas Code § 23-18-604(a), concerning the authority of the Arkansas Public Service Commission as it relates to net metering, is amended to read as follows:

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

SECTION 3. Arkansas Code § 23-18-604(b)(5), concerning the authority of the Arkansas Public Service Commission as it relates to net metering, is amended to read as follows:

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

*/s/D. Johnson*