



Public Service Commission

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Chair

DAVID R. CLARK
Commissioner

JORDAN A. WHITE
Commissioner

State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

September 22, 2015

Jerry Frandsen (sent via email)
South Eastern Utah Title Co.
Moab, UT 84532

Mr. Frandsen,

Thank you for your email to the Public Service Commission of Utah (Commission). With concerns of billing cycles and unused net metering credits, Utah Code Title 54-15-102 (1)(a)(b) explains the billing cycle for net metering customers and Utah Code Title 54-15-104 describes how excess electricity is credited.

Title 54-15-102 (1)(a)(b)

"Annualized billing period" means:

- (1) (a) a 12-month billing cycle beginning on April 1 of one year and ending on March 31 of the following year; or
- (b) an additional 12-month billing cycle as defined by an electrical corporation's net metering tariff or rate schedule.

Title 54-15-104

Charges or credits for net electricity.

- (1) Each electrical corporation with a customer participating in a net metering program shall measure net electricity during each monthly billing period, in accordance with normal metering practices.
- (2) If net metering does not result in excess customer-generated electricity during the monthly billing period, the electrical corporation shall bill the customer for the net electricity, in accordance with normal billing practices.
- (3) Subject to Subsection (4), if net metering results in excess customer-generated electricity during the monthly billing period:



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- (a) (i) the electrical corporation shall credit the customer for the excess customer-generated electricity based on the meter reading for the billing period at a value that is at least avoided cost, or as determined by the governing authority; and
 - (ii) all credits that the customer does not use during the annualized billing period expire at the end of the annualized billing period; and
 - (b) as authorized by the governing authority, the electrical corporation may bill the customer for customer charges that otherwise would have accrued during that billing period in the absence of excess customer-generated electricity.
- (4) At the end of an annualized billing period, an electrical corporation's avoided cost value of remaining unused credits described in Subsection (3)(a) shall be granted:
- (a) to the electrical corporation's low-income assistance programs as determined by the governing authority; or
 - (b) for another use as determined by the governing authority.

The Commission has directed electrical corporations to annually grant the unused credits to low-income assistance programs. The annual billing calendar is dictated by statute.

The Commission appreciates your email and wants to assure you emails and comments are reviewed and considered by the Commissioners and by our technical and legal staff.

I hope this information is helpful.

Sincerely,

/s/ Gary L. Widerburg
Commission Secretary

DW#269428