

**COLORADO DEPARTMENT OF REGULATORY AGENCIES**  
**Public Utilities Commission**

**4 CODE OF COLORADO REGULATIONS (CCR) 723-3**

**PART 3**  
**RULES REGULATING ELECTRIC UTILITIES**

**3664. Net Metering.**

- (a) Except as provided in paragraph 3664(i), all investor owned QRUs shall allow the customer's retail electricity consumption to be offset by the electricity generated from retail renewable distributed generation, provided that the generating capacity of the customer's facility meets the following two criteria:
- (I) the retail renewable distributed generation shall be sized to supply no more than 120 percent of the customer's average annual electricity consumption at that site, where the site includes all contiguous property owned or leased by the consumer, without regard to interruptions in contiguity caused by easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way; and
  - (II) the rated capacity of the retail renewable distributed generation does not exceed the customer's service entrance capacity.
- (b) If a customer with retail renewable distributed generation generates renewable energy pursuant to paragraph 3664(a) in excess of the customer's consumption, the excess kWh shall be carried forward from month to month and credited at a ratio of 1:1 against the customer's retail kWh consumption in subsequent months. Within 60 days of the end of each calendar year, or within 60 days of when the customer terminates its retail service, the investor owned QRU shall compensate the customer for any accrued excess kWh credits, at the investor owned QRU's average hourly incremental cost of electricity supply over the most recent calendar year. However, the customer may make a one-time election, in writing, on or before the end of a calendar year, to request that the excess kWh be rolled over as a credit from month to month indefinitely until the customer terminates service with the investor owned QRU, at which time no payment shall be required from the investor owned QRU for any remaining excess kWh credits supplied by the customer.
- (c) A customer's retail renewable distributed generation shall be equipped with metering equipment that can measure the flow of electric energy in both directions. The investor owned QRU shall utilize a single bi-directional electric meter.
- (d) If the customer's existing electric meter does not meet the requirements of these rules, the investor owned QRU shall install and maintain a new meter for the customer, at the company's expense. Any subsequent meter change necessitated by the customer shall be paid for by the customer.
- (e) The investor owned QRU shall not require more than one meter per customer to comply with this rule 3664. Nothing in this rule 3664 shall preclude the QRU from placing a second meter to measure the output of a solar renewable energy system for the counting of RECs subject to the following conditions.

- (I) For customer facilities over ten kW, a production meter shall be required to measure the solar renewable energy system output for the counting of RECs.
  - (II) For systems ten kW and smaller, a production meter may be installed under either of the following circumstances:
    - (A) the QRU may install a production meter on the solar renewable energy system output at its own expense if the customer consents; or
    - (B) the customer may request that the QRU install a production meter on the solar renewable energy system output in addition to the meter at the customer's expense.
  - (III) If the on-site solar system is not owned by the electric consumer, the owner or operator of the on-site solar system shall pay the cost of installing the production meter.
- (f) An investor owned QRU shall provide net metering service at non-discriminatory rates to customers with retail renewable distributed generation. A customer shall not be required to change the rate under which the customer received retail service in order for the customer to install retail renewable distributed generation. Nothing in this rule shall prohibit an investor owned QRU from requesting changes in rates at any time.
- (g) Unless the Commission approves under § 40-2-124(1)(g)(IV)(B), C.R.S., an alternative surcharge for net metered customers served by an investor owned QRU, the investor owned QRU shall bill a retail customer receiving net metering service a surcharge to supplement that customer's contribution toward the investor owned QRU's RESA account.
- (I) For retail renewable distributed generation that is production metered, the surcharge shall increase the customer's total contribution to the investor owned QRU's RESA account to the calculated level it would have been had all of the customer's consumption been billed at the investor owned QRU's applicable rates.
  - (II) For retail renewable distributed generation that is not production metered, the surcharge shall increase the customer's total contribution to the investor owned QRU's RESA account as follows, based upon the size of the customer's system.
    - (A) For customers with a system that is from 500 watts to five kW, a 500 kWh volume proxy shall be used. The 500 kWh volume proxy will be multiplied by the current monthly per kWh effective residential energy rate and effective riders. That product will then be multiplied by two percent to obtain the customer's RESA contribution amount.
    - (B) For customers with a system that is from five kW up to ten kW, a 1,000 kWh volume proxy shall be used. The 1,000 kWh volume proxy will be multiplied by the current monthly per kWh effective residential energy rate and effective riders. That product will then be multiplied by two percent to obtain the customer's RESA contribution amount.
- (h) If more than one meter is used to measure the electricity consumption of a customer with retail renewable distributed generation at the premises where the retail renewable distributed generation is installed, the following provisions apply:

- (I) An investor owned QRU must, upon request from such customer, aggregate for billing purposes a meter to which the retail renewable distributed generation is physically attached (the designated meter) with one or more meters (the additional meters) in the manner set out in this paragraph when:
- ~~(A) each additional meter is located on the customer's contiguous property, and~~
- ~~(B) each additional meter is used to measure only the customer's own electricity consumption.~~
- (II) A net metering customer must give at least 30 days' notice to the QRU to request that additional meters be aggregated pursuant to this paragraph. The specific designated and additional meters must be identified at the time of such request. In the event that more than one additional meter is identified, the utility shall apply the net metering kWh credits to the sum of the kWh consumption as measured by the designated and additional meters.
- (III) If, in a monthly billing period, the customer's retail renewable distributed generation generates more renewable energy than the customers' consumption as measured by the designated and additional meters, the excess kWh credits will be rolled over as a credit from month to month indefinitely until the customer terminates service with the investor owned QRU, at which time no payment shall be required from the investor owned QRU for any remaining excess kWh credits supplied by the customer.
- (IV) ~~All m~~Meters aggregated pursuant to this paragraph may be on different ~~must be on the same~~ rate schedules.
- ~~(i) Multi-unit properties with separately metered units, including mixed-use buildings with units that take service on different utility rate schedules and common interest communities managed by unit owners' associations shall be eligible for net metering. Multi-unit properties with a renewable system interconnected to a designated meter to allocate excess kilowatt-hour credits to any onsite meter(s) in accordance with a property owner defined system share for each additional meter so long as the annual energy production from the system share will supply no more than 120 percent of the additional meter's average annual electricity consumption. Participating on-site customer accounts must have an agreement with the investor owned QRU identifying the defined system share to participate in net metering.~~
- ~~(I) An investor owned QRU shall offset the retail electricity consumption of an individually metered utility customer account at a multi-unit property that is not master metered with electricity produced by a generating account at the same multi-unit property consistent with the system share allocated to the benefitting account.~~
- ~~(II) An investor owned QRU shall attribute electricity produced by the utility customer accounts with a retail renewable distributed generation customer to each customer account on a kilowatt-hour basis consistent with each individually metered utility customer account's system share. The QRU shall calculate and provide bill credits for each customer account at a multi-unit property based on the system share of the customer account and the retail rate schedule on which the customer account takes service.~~
- ~~(III) If the electricity produced by a system share exceeds the consumption of the customer account associated with such system share during a month, the excess kilowatt-hours shall be carried forward from month to month and credited at a ratio of 1:1 against the~~

customer account's retail kilowatt-hour consumption in subsequent months indefinitely until the unit or common area customer account terminates service with the investor owned QRU, at which time the QRU is not required to pay the customer for any remaining excess electricity supplied by the customer.

- (ij) Pursuant to § 24-33-115(2), C.R.S., for the Colorado Division of Parks and Outdoor Recreation (CDPOR) as the customer of an investor owned QRU, the investor owned QRU may, on a case-by-case or project-by-project basis:
- (I) waive any existing limits on the net metering of electricity generated on contiguous property constituting the CDPOR customer's site;
  - (II) waive any existing limits on generating capacity or customer service entrance capacity if the customer proposes to make any necessary upgrades to its service entrance capacity at its own expense; and
  - (III) have the right of first refusal to purchase, and the right not to purchase, electricity from retail renewable distributed generation that is sized to provide more than 120 percent of the average annual consumption of electricity by the CDPOR customer at that site. If the investor owned QRU exercises its option to purchase excess generation under this subparagraph 3664(i)(III), it may claim the RECs based on such purchases.
  - (IV) This paragraph does not confer upon CDPOR the right to make retail sales of electricity or distribute electricity to other state agencies or to noncontiguous properties.

**3665. [Reserved].**