

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 535

Short Title: Solar Capacity Limit Elimination. (Public)

Sponsors: Representatives K. Hall, McNeely, Paré, and Carney (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Energy and Public Utilities, if favorable, Rules, Calendar, and Operations of the House

March 30, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO ELIMINATE THE CAP ON ROOFTOP SOLAR LEASING AND TO
3 ELIMINATE THE CAP ON NET METERING.

4 The General Assembly of North Carolina enacts:

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6 **PART I. ELIMINATE ROOFTOP SOLAR LEASING CAP**

7 **SECTION 1.1.** G.S. 62-126.5(d) reads as rewritten:

8 "(d) ~~The total installed capacity of all solar energy facilities on an offering utility's system~~
9 ~~that are leased pursuant to this section shall not exceed one percent (1%) of the previous five-year~~
10 ~~average of the North Carolina retail contribution to the offering utility's coincident retail peak~~
11 ~~demand. The offering utility may refuse to interconnect customers that would result in this~~
12 ~~limitation being exceeded.~~ Each offering utility shall establish a program for new installations of
13 leased equipment to permit the reservation of capacity by customer generator lessees, whether
14 participating in a public utility or nonutility lessor's leasing program, on its system, including
15 provisions to prevent or discourage abuse of such programs. Such programs must provide that
16 only prospective individual customer generator lessees may apply for, receive, and hold
17 reservations to participate in the offering utility's leasing program. Each reservation shall be for
18 a single customer premises only and may not be sold, exchanged, traded, or assigned except as
19 part of the sale of the underlying premises."
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21 **PART II. ELIMINATE ONE MEGAWATT CAP ON NET METERING**

22 **SECTION 2.1.** G.S. 62-126.4 is amended by adding a new subsection to read:

23 "(d) The Commission shall continue to allow net metering for any customer that owns and
24 operates a renewable energy facility that generates electricity with a capacity up to 1 MW at the
25 applicable net metering rate in place at the time of interconnection. The Commission shall expand
26 net metering at the applicable net metering rate in place at the time of interconnection to
27 customers that own and operate a renewable energy facility with a capacity over 1 MW that is
28 intended primarily to offset part or all of the customer's annual usage."

29 **SECTION 2.2.** G.S. 62-133.8(i) reads as rewritten:

30 "(i) Adoption of Rules. – The Commission shall adopt rules to implement the provisions
31 of this section. In developing rules, the Commission shall:

32 ...

33 (6) ~~Consider whether it is in the public interest to adopt~~ Adopt rules for electric
34 public utilities for net metering of renewable energy facilities with a



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1 generation capacity of ~~one megawatt or less~~ intended primarily to offset part
2 or all of the customer's annual usage.
3 "

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5 **PART III. EFFECTIVE DATE**

6 **SECTION 3.1.** This act becomes effective July 1, 2023.