



## Arkansas - Net Metering

**Incentive Type:** Net Metering Rules

**Eligible Renewable/Other Technologies:** Solar Thermal Electric, Photovoltaics, Wind, Biomass, Hydroelectric, Geothermal Electric, Fuel Cells, Microturbines using renewable fuels

**Applicable Sectors:** Commercial, Industrial, Residential, General Public/Consumer, Nonprofit, Schools, Local Government, State Government, Fed. Government, Agricultural, Institutional

**Limit on System Size:** 25 kW for residential systems; 300 kW for commercial systems

**Limit on Overall**

**Enrollment:** None

**Treatment of Net Excess:** Credited at retail rate to customer's next bill; granted to utility at end of 12-month billing cycle

**Utilities Involved:** All utilities

**Interconnection Standards for Net Metering?**

Yes

**Authority 1:** [A.C.A. § 23-18-604](#)

**Date Enacted:** 4/19/2001

**Effective Date:** 10/01/2001

**Authority 2:** [AR PSC Order No. 02-046-R](#)

**Date Enacted:** 7/3/2002

**Authority 3:** HB 2334 of 2007

**Date Enacted:** 4/4/2007

**Effective Date:** 4/4/2007

### Summary:

In April 2001, Arkansas enacted legislation (HB 2325) directing the Arkansas Public Service Commission (PSC) to establish net-metering rules for certain renewable-energy systems. The PSC approved final rules for net metering in July 2002. Legislation enacted in April 2007 (HB 2334) bolstered the existing statute by increasing the availability of net metering, improving the law's provision for the carryover of net excess generation (NEG), and clarifying the ownership of "renewable-energy credits" (RECs).

Residential renewable-energy systems up to 25 kilowatts (kW) in capacity and nonresidential systems up to 300 kW in capacity are eligible for net metering. Eligible technologies include solar, wind, hydroelectric, geothermal and biomass systems, as well as fuel cells and microturbines using renewable fuels. There is no limit on the aggregate capacity of all net-metered systems.

The 2007 amendments allow net-metered customers to carry over any NEG to their following monthly bill at the utility's retail rate. Any NEG remaining at the end of an annual billing cycle is granted to the utility. (Previously, NEG was granted to the utility monthly.) In addition, the 2007 amendments clarified that net-metered customers own RECs. (RECs and REC ownership were not addressed prior to the 2007 amendments.)

Arkansas's net-metering law authorizes the PSC to allow utilities to assess net-metered customers "a greater fee or charge of any type, if the electric utility's direct costs of interconnection and administration of net metering outweigh the distribution system, environmental, and public policy benefits of allocating the costs among the electric utility's entire customer base."

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