

**§ 160A-203.3. Limitations on regulation of energy choice.**

(a) A city shall not adopt an ordinance that prohibits, or has the effect of prohibiting, either of the following:

- (1) The connection, reconnection, modification, or expansion of an energy service based upon the type or source of energy to be delivered to an individual or any other person as the end-user of the energy service.
- (2) The sale, purchase, or installation of an appliance utilized for cooking, space heating, water heating, or any other appliance included under the definition of "white goods" pursuant to G.S. 130A-290(a).

(b) As used in this section, "energy service" means the energy source that a consumer may choose to use to illuminate, heat, or cool buildings; produce hot water; operate equipment; operate appliances; or any other similar activities, where the energy source is derived from one or more of a variety of sources such as natural gas, renewable gas, hydrogen, liquified petroleum gas, renewable liquified petroleum gas, or other liquid petroleum products and that is delivered to the consumer by an entity legally authorized to provide such service or electricity that is derived from one or more sources of electric generation and is delivered to the consumer by an entity legally authorized to provide such service and the distribution of the electricity occurs according to the territorial rights established by G.S. 62-110.2, 160A-331.2, or 160A-332. For purposes of this section, the terms "renewable gas" and "renewable liquified petroleum gas" shall mean gas derived from a renewable energy resource, as that term is defined by G.S. 62-133.8(a)(8).

(c) Nothing in this section shall be construed to (i) limit the ability of a city to choose the energy service for property owned by the city, (ii) prohibit a city from recovering reasonable costs associated with reviewing and issuing a permit, (iii) affect the authority of a city to manage or operate a city-owned utility, including a city's authority to require persons residing within their jurisdictions to obtain energy service from a city-owned utility or a joint municipal power agency of which they are a member, or (iv) impair a contract executed pursuant to G.S. 160A-322 prior to the effective date of this section for the supply of electric service.

(d) Notwithstanding any authority granted to municipalities to adopt local ordinances, any local ordinance that prohibits or has the effect of prohibiting the activities described in subsection (a) of this section shall be invalid. (2023-58, s. 1(a).)