ORDINANCE NO. 2014–34

AN ORDINANCE OF WASHINGTON CITY
ADOPTING A NET METERING POLICY

WHEREAS Washington City ("City") has an interest in allowing for Net Metering projects within the City; and

WHEREAS the City desires to adopt the Net Metering Policy set forth below; and

WHEREAS the City Council has reviewed this Net Metering Policy and finds that it is in the best interest of the public and promotes the health, safety and welfare of the community;

NOW THEREFORE, BE IT HEREBY ORDAINED by the City Council of Washington City as follows:

1. Amendment. The City hereby adopts the "Net Metering Policy" shown on Exhibit A, the "Net Metering Application" form shown on Exhibit B (or a form substantially similar thereto), and the "Net Metering Agreement" shown on Exhibit C (or substantially similar thereto), which are attached hereto and incorporated herein.

2. Miscellaneous.

A. If any provision or clause of this ordinance or the application thereof to any person or entity or circumstance is held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other sections, provisions, clauses or applications hereof which can be implemented without the invalid provision(s), clause(s) or application(s) hereof, and to this end the provisions and clauses of this ordinance are declared to be severable.

B. This ordinance supersedes or repeals the provision(s) of any ordinance(s) or resolution(s) that is(are) inconsistent with the provisions of this ordinance.

C. This Ordinance shall take effect upon publication or posting as required by law.

PASSED AND ORDERED POSTED on this 10th day of December 2014

WASHINGTON CITY

Kenneth Neilson, Mayor

ATTEST:

Danice B. Bulloch, CMC, City Recorder

Exhibit A

WASHINGTON CITY
NET METERING POLICY
Effective Date: January 9, 2008
Revised December 10, 2014

Net metering is a billing arrangement where residential and business customers who produce their own energy from renewable sources can get a credit on their electric bills at the wholesale rate for the extra energy that flows back onto our distribution system, (See Attached Example).

7-6C-1: Availability:

Washington City ("City") desires to encourage the use of Renewable Resources with Washington City Electric Customers ("Customer") by making available a meter capable of providing the necessary accounting to allow the Customer to displace electric energy otherwise purchased from the City or to provide electric energy to the City ("Net Meter"). The Net Meter will be available to any electric Customer connected to Washington City's electric distribution system provided that the Customer installs a solar, wind, or other City-approved renewable generation resource ("Renewable Resource") on the Customer's side of the meter, subject to the Application Provisions.

Washington City also desires to set a cap of 500,000 installed watts of Renewable Resources allowed to connect to the City distribution system after which applications for connection will no longer be accepted.

7-6C-2: Application Provisions:

The Customer must make an application to Washington City and receive approval from the City before installing an interconnected Renewable Resource on their property. Washington City may withhold approval if for any reason the requested interconnection would result in a negative monetary or physical impact on the City's electrical system. The City may approve the agreement if there is no physical negative impact, but may freeze or terminate the rebate portion of this agreement at any time if it is determined to have an adverse monetary impact.

A. By accepting this Net Metering Policy, the Customer hereby agrees to the following provisions:

   1. The monthly electrical output of the Renewable Resource shall not be greater than 120% of the historical maximum monthly energy consumption the location of the Renewable Resource.

   2. A Renewable Resource installed by the Customer shall include, at the Customer's expense, all equipment necessary to meet applicable safety, power quality and interconnection requirements established by the National Electric Code (NEC), National Electric Safety Code (NESC) and shall be manufactured and installed to interconnection standards that meet or exceed the Institute of Electrical and Electronics Engineers, Inc.

("IEEE") standard 1547 for Interconnecting Distributed Resource with Electric Power Systems and Underwriters Laboratories Inc. ("UL") standard 1741, Inverters, Converters and Controllers for use in Independent Power Systems.

3. The Customer shall be required to install a manual disconnect that is within 5 feet of the meter location, readily accessible by City personnel and outside of any fenced in area. The disconnect switch shall be lockable and shall be labeled as "Generation Disconnect".

4. The City shall install and maintain a new revenue meter for the Customer, at the Customer's expense. In addition, any subsequent revenue meter change necessitated by the Customer, whether because of a decision to stop Net Metering or for any other reason, shall be an expense billed to the Customer at the applicable service rates.

5. By accepting this agreement the Customer releases to the City all renewable energy credits (RECs), solar renewable-energy credits (S-RECs) or other renewable attributes as appropriate based on actual on-site electric generation from the Renewable Resource.

6. The Customer will comply with all City service and utility billing requirements, including payments for applicable monthly electrical base rates and other utility billings, fees and taxes.

7. The Customer will comply with all installation requirements, building and electric codes of the City.

8. The Customer's facility used for Net Metering shall be equipped with metering equipment, which can measure the flow of electricity in both directions. For customer facilities less than 10 kilowatts (kW) in rated capacity, this shall be accomplished through the use of a single, bi-directional electric revenue meter.

9. The City shall make Net Metering available to eligible customers on a first-come, first-served basis. Single or multiple Net Metering connections to a City owned transformer, which create an imbalance that exceeds 20% of the nameplate, rating may be denied at the City's discretion or, if approved may require system upgrades including additional transformers or other system upgrades at the Customer's expense.

10. Net Metering connections to City facilities above the standard single phase 120/240 volt system shall be reviewed by the City under a separate review and approval process, which may include a system impact study. Renewable Resource connections to transmission lines within the City are prohibited.

11. If the Net Metering project requires special engineering studies as determined by the City, the Customer shall be responsible for all costs. An estimate of costs shall be provided by a licensed engineering firm as determined by the City and payment will be made by the Customer, to the City, before the engineering study is approved. Final billing for the study will be trued up upon completion and the Customer shall be billed for any amount above, or their electric account credited, for any amount below the initial estimate.

12. The Customer shall be solely responsible for all work, and costs incurred, for installation and maintenance of the Renewable Resource. All modifications or improvements required to the City's electric system, due to the Customer's installation of facilities, shall be paid for by the Customer.

7-6C-3: Inspection:

Upon approval and installation of a Renewable Resource, but before interconnection of the Net Meter, the City shall inspect the Renewable Resource installation and interconnection and approve or disapprove the interconnection. The City may disapprove any final interconnection for any reason.

1. The City shall have the right to inspect the Customer's Renewable Resource during reasonable hours and with reasonable prior notice to the Customer. If the City finds that the Customer's Renewable Resource is not in compliance with the requirements of the City's interconnection rules and the standards set forth in this Policy, and non-compliance adversely affects the safety or reliability of the City's facilities or other customers' facilities, the City may require the Customer to disconnect the facility until compliance is achieved.

2. If the City disconnects the Renewable Resource, the Customer shall receive in a timely manner, a written explanation of the disconnection. The Customer shall have the right to correct the situation and petition the City to reestablish an interconnection.

7-6C-4: Energy Rates and Payments:

The Customer shall be subject to the following provisions for service under this Policy:

1. For all kWh delivered by the City the Customer shall pay the applicable retail rate, as if the Customer had not installed a Renewable Resource.

2. The City shall credit the Customer's current electric bill for kilowatt-hours that exceed the Customer's on-site consumption during the current billing period at the wholesale rate of 4¢ per kilowatt-hour.

3. Energy produced and consumed onsite by the customer is considered the avoided cost or return on investment and will not be included in the determination of the wholesale credit to the customer account.

4. On June 1st of each calendar year any remaining unused credits shall be applied to the current billing period. Any remaining credit on the customers utility account in excess shall be removed from the account without further compensation by the City.

5. If a home with a Renewable Resource is sold, any remaining credits will be applied to the electrical billing for kWh consumption with any remaining unused credits above the total billing relinquished to the City.

6. Net Metering credit shall only be applied to offset part of or all of a Customer's own electrical requirements at a single metering point. Net Metering credit shall not be applied to multiple meters owned by a single customer at separate locations.

7. This agreement is between the electric Customer and the City. Nothing in this policy allows for the purchase or sale of energy produced by the Customer to or from a third party. Renewable Resources on rental units are not eligible for Net Metering under this policy.

8. The City reserves the right to modify or amend this Policy, the City's avoided cost rate, the displacement ratio, or the monthly service charge, upon reasonable advance notice to the Customer. (30 days.)

7-6C-5: Liability:

The Customer shall be responsible for any damage caused by the Customer's Renewable Resource to the City's distribution system and other customer facilities. The Customer shall be responsible for the installation and maintenance of applicable protection equipment, and for any damage caused by improper application, maintenance or faulty equipment. The City will not be liable directly or indirectly for permitting or continuing to allow an attachment of a Renewable Resource, or the acts or omissions of the Customer's Renewable Resource that cause loss or injury, including death, to any third party.

Application for the Customer's Net Metering, within a Home Owners Association (HOA), must be accompanied by a letter of approval of the Net Metering installation, signed by the Chairman of the board at the time of application. The letter must include a copy of the minutes showing a majority vote of approval. The City is not liable for any violation of existing CCR's within an HOA, related to the Customer's installation of a Renewable Resource.

Neither the City nor the Customer, shall be subject to any liability or damages due to the inability of the City to serve the Customer's load, due to lack of energy from either the City or the Renewable Resource.

Neither the City nor the Customer, shall be subject to any liability or claims for damages due to the inability of equipment manufactures or vendors to provide equipment or repairs essential for the safe operation of the system in a timely manner.

7-6C-6: **Forms:**

Forms for the Net Metering program are on file at the city offices or available online.

Exhibit B

WASHINGTON CITY NET METERING POLICY
APPLICATION FOR INTERCONNECTION REVIEW

Please carefully read all of the following information. With the help of your Installation Contractor, fully complete the form for Solar Electric Equipment, as well as the Washington City Net Metering Policy Agreement.

Solar Electric Equipment Information:

Customer Name: _____
Customer Address: _____
_____

Contact Name: _____

Phone Number: _____ Fax Number: _____

Utility Account #: _____ Email: _____

A. EQUIPMENT INFORMATION:

Solar Electric Module Manufacturer: _____

Module Model Number: _____

Power Rating per Module: _____ DC Watts Number of Modules: _____

Total Array Output: _____ DC Watts (Number of Modules x Power Rating)

Inverter Manufacturer: _____

Inverter Model Number: _____

Inverter's Continuous AC Rating: _____ AC Watts

Number of Inverters: _____

Total Inverter Output: _____ AC Watts

(Inverter Continuous AC Rating x Number of Inverters): _____

Inverter's Peak Efficiency: _____ (Refer to manufacturer's peak efficiency rating)
Solar Electric Array Location: ____Rooftop ____Pole Mount or ____Ground Mount

Solar Electric Module Orientation: _____ degrees (e.g., 180 degrees magnetic south)

Solar Electric Module Tilt: _____ degrees
(e.g., flat mount = 0 degrees; vertical mount = 90 degrees)

Solar Electric Module Tracking: ___Fixed ___Single-axis ___Double-axis

Inverter Location: ___Indoor ___Outdoor Location

Utility-Accessible AC Disconnect Switch Location: _____
(within 5 feet of meter location and readily accessible.)

System Type and Mode of Operation:

___ Utility interactive (parallel/capable of back feeding the meter)
___ Dedicated circuit, utility power as backup (transfer switch)
___ Stand-alone (system confined to an independent circuit, no utility backup)

A one-page site map and system single line must accompany this application. This document must indicate the location of the solar electric modules, the inverter, batteries (if any), lockable disconnect switch, and point of connection with the utility system. The installation address, current account number at that address, and the installer's name and telephone number must also be included on the one page site map.

Does this system include batteries or generator back up? _____ yes ____no
If yes, there may be additional review required.

Total Installed System Cost: $_____

B. PROPOSED INSTALLATION/INTERCONNECTION/SINGLE LINE:

(The Customer is to provide a single line drawing as attachment for review and approval.)

Exhibit C

Washington City Net Metering Policy Agreement

Term:

1. This Agreement becomes effective when executed by both parties and shall continue in effect until terminated by either party.
2. The Customer may cancel this agreement with not less than thirty (30) days written notice.
3. The City may cancel this Agreement if the customer is in breach of the Applicable Provisions or the customer Renewable Resource becomes unsafe, or inactive for a period of six (6) consecutive months, or if the resource causes any damage or disruption to the utility system as determined by the city.

AGREED TO BY:

Net Metering Customer

Name_____

Title_____

Date_____

Signature_____

APPROVED BY:

Washington City Corporation

Name_____

Title_____

Date_____

Signature_____

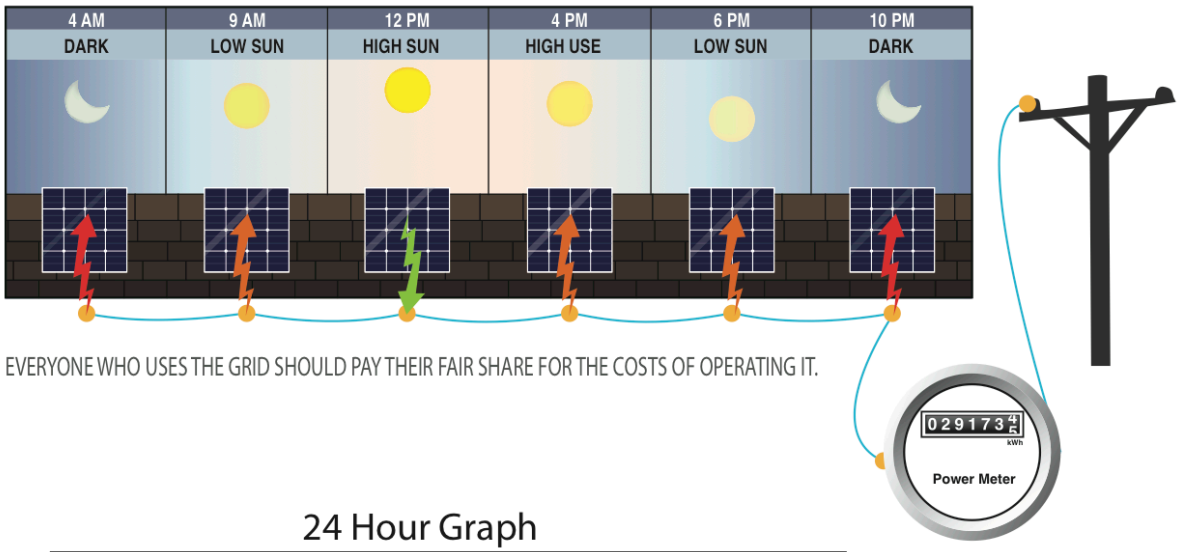
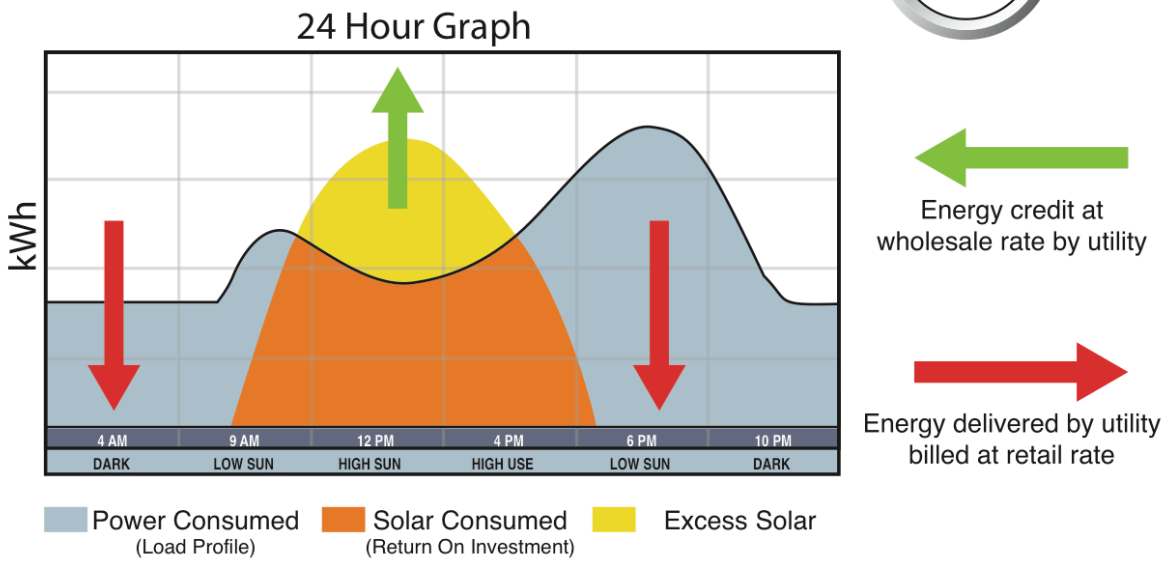
Once approved this application, one line drawing and agreement will be submitted to the building department for the review, inspection and approval process. Inspection fees will apply.

Washington City
Where Dixie Begins

Solar Power & Net Metering

Net metering is a billing arrangement where residential and business customers who produce their own energy from renewable sources can get a credit on their electric bills at the wholesale rate for extra energy that flows back into our distribution system.

SOLAR CUSTOMERS STILL USE THE GRID 24 HOURS A DAY



EVERYONE WHO USES THE GRID SHOULD PAY THEIR FAIR SHARE FOR THE COSTS OF OPERATING IT.