

Memorandum

To: Bruce Hickle, City Manager
CC: City Council
From: Shelley Barnes, Customer Service Manager
Date: May 18, 2015
Re: Consideration of revised Ordinance Number 2015-12

In February of 2012, Ordinance Number 2012-04 was adopted by City Council regarding a new policy for net metering customers who install solar at their locations. Since that time, the City has acquired a new solar customer, Suncoast School Credit Union, located at 217 W. Belt Avenue. Staff has been reviewing the existing net metering policy and is recommending a revision to the reimbursement for the solar power that is delivered back to the City's electric grid. This revision will reimburse the customer at the City's retail rate until the delivered solar energy is equal to the energy provided to the customer by the City. In the case that the customer provides more to the grid than they receive from the city, the City will reimburse the customer at the wholesale rate provided by the Florida Municipal Power Agency. Should the customer take from the City's electric grid more than they produce, the City will send the customer a bill reflecting the cost for the electricity consumed over what they provided back to the City's electric grid.

Please find the revised Ordinance attached for your review and consideration. Staff is recommending approval of Ordinance Number 2015-12 that is being submitted for your review.

ORDINANCE NUMBER 2015-12

AN ORDINANCE OF THE CITY OF BUSHNELL, FLORIDA, AMENDING THE CITY OF BUSHNELL CODE OF ORDINANCES, SPECIFICALLY AMENDING CHAPTER 27, UTILITIES, ARTICLE II, ELECTRIC SERVICE, DIVISION I, IN GENERAL, BY REVISING SECTION 27-37, NET METERING; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Bushnell, Florida, has reviewed the City's ordinances pertaining to the City's fees and rates for the utility services as set forth in Chapter 27 of the Code Of Ordinances Of The City Of Bushnell, Florida; and

WHEREAS, the City Council of the City of Bushnell, Florida, has determined that in order to promote and serve the best interest of the health, safety, and welfare of the citizens of the City of Bushnell, Florida, it is appropriate and proper to promote the development of renewable energy sources.

NOW THEREFORE, BE IT ORDAINED AND ESTABLISHED BY THE CITY COUNCIL OF THE CITY OF BUSHNELL, FLORIDA, THAT CHAPTER 27, UTILITIES, ARTICLE II, ELECTRIC SERVICE, DIVISION I, IN GENERAL, BY REVISING SECTION 27-37, NET METERING, AS FOLLOWS:

1. Section 27-37. Net Metering, as set forth in Exhibit "A" attached hereto and incorporated herein by reference, is hereby adopted.
2. This Ordinance shall take effect upon its enactment by the City Council.

THE PROPOSED Ordinance was read at the regularly scheduled meeting of the Bushnell City Council held on _____, 2015. Upon motion made by _____, and seconded by _____, it was moved that the ordinance be published in a newspaper of general circulation in the City of Bushnell, Sumter County, Florida, in accordance with the requirements of Florida Statutes, and that the ordinance again be presented to the City Council for a second reading and a public hearing at a regular or special meeting of the City Council, such meeting to be held not sooner than ten (10) days from the date of publication. Upon the matter being submitted to a vote, the results were as follows:

Mayor/Councilor W. C. Spaude _____

Councilor Bill Durham, Jr. _____

Councilor Kay McCoy _____

Councilor Karen Davis _____

Councilor Dale Swain _____

THIS ORDINANCE having been passed on the first reading, it was moved by _____ that the ordinance be passed and ordained on second reading pursuant to notice of public hearing published on the _____ day of _____, 2015, in the Sumter County Times. This Motion was seconded by _____ and upon being submitted to a vote, the results were as follows:

Mayor/Councilor W. C. Spaude _____

Councilor Bill Durham, Jr. _____

Councilor Kay McCoy _____

Councilor Karen Davis _____

Councilor Dale Swain _____

THIS ORDINANCE was passed upon second and final readings pursuant to the vote herein recorded.

Approved by me this _____ day of _____ 2015.

W. C. SPAUDE
Mayor - Councilor

ATTEST:

CHRISTINA DIXON
City Clerk

EXHIBIT "A" – ORDINANCE NO. 2015-12

Sec. 27-37. Net Metering

(a) **Availability.** This schedule is applicable to electric service at a single metering point throughout the entire territory served by the city. Customers may choose to participate in net metering provided that the following conditions are met:

1. The customer must take retail service from the city under an otherwise applicable rate schedule at the customer's premises.

2. The customer must own a renewable generating facility with a generating capacity that does not exceed two (2) megawatts (2 MW) that is located on the customer's premises, and that is primarily intended to offset part or all of customer's own electric requirements. Customer's facility shall fall within one of the following ranges:

Tier 1	10kW or less;
Tier 2	greater than 10kW and less than or equal to 100kW;
Tier 3	greater than 100kW and less than or equal to 2MW.

3. The customer-owned renewable generation facility must be interconnected and operated in parallel with the city's electric distribution system.

4. The customer must provide the city with an executed standard interconnection agreement for customer-owned renewable generation and an executed Tri-Party Net Metering Power Purchase Agreement by and between Florida Municipal Power Agency (FMPA) and the City of Bushnell.

(b) **Monthly rate.** All rates charged under this schedule (SEE ARTICLE V, DIVISION II: ELECTRIC) will be in accordance with the customer's otherwise applicable rate schedule. A customer served under this schedule is responsible for all charges from its otherwise applicable rate schedule, including; monthly minimum charges, customer charges, meter charges, facilities charges, demand charges and surcharges. Charges for energy (kWh) supplied by the city will be based on the net metered usage in accordance with billing (see below).

(c) **Metering.** Energy metering under this schedule shall be accomplished by separately registering the flow of electricity:

1. From the city; and
2. Excess energy (kWh) generated by customer and delivered to the city's electric system.

Such metering equipment shall be installed at the point of delivery at the expense of the City.

Any additional meter or meters installed as necessary to measure total renewable electricity generated by the customer for the purposes of receiving renewable energy certificates (or similarly titled credits for renewable energy electricity generated) shall be installed at the

expense of the customer, unless determined otherwise during negotiations for the sale of the customer's credits to FMPA or the City.

Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.

(d). **Billing.** Customer shall be billed for its consumption and export of excess energy as follows:

1. Customer shall be billed for the total amount of electric power and energy delivered to customer by the city in accordance with the otherwise applicable rate schedule.

2. Electric energy from the customer renewable generation system shall first be used to serve the customer's own load and offset the customer's demand for city electricity. Any kWh of electric energy produced by the customer-owned renewable generation system that is not consumed by the customer's own load and; is delivered to the city system shall be deemed as "excess customer-owned renewable generation." Excess customer-owned renewable generation shall be purchased in the form of a credit on the customer's monthly energy consumption bill at the rate set forth in paragraph 3 hereof.

3. Each billing cycle, customer shall be credited for the total amount of excess electricity generated by the customer-owned renewable generation that is delivered to the city's electric system during the previous billing cycle. Customer shall receive a credit for the kilowatt hours of excess customer-owned renewable generation up to the amount of kilowatt hours received from the City in the same billing cycle ~~The credit from the city shall be determined in accordance with the energy charge and power cost adjustment per kWh, at the full retail rate for~~ the customer's applicable rate schedule. Customer shall receive a credit for any kilowatt hours of excess customer-owned renewable generation in excess of the amount of kilowatt hours received from the City in the same billing cycle at a rate determined pursuant to Appendix B of the Tri-Party Net Metering Power Purchase Agreement between the City, FMPA and customer.

4. In the event that a given monthly credit for excess customer-owned renewable generation exceeds the total billed amount for customer's consumption in any corresponding month, then the excess credit shall be applied to the customer's subsequent bill. Excess energy credits produced pursuant to the preceding sentence shall accumulate and be used to offset customer's energy consumption bill for a period of not more than twelve (12) months. In the last billing cycle of each calendar year, any unused excess energy credits shall be paid by the City of Bushnell to the customer, at City's wholesale avoided cost rate.

5. In the event that a customer closes an account, any of the customer's unused excess energy credits shall be paid by City.

6. Regardless of whether any excess energy is delivered to City's electric system in a given billing cycle, customer shall be required to pay the greater of:

a. The minimum charge as stated in the otherwise applicable rate schedule; or

b. The applicable customer charge plus the applicable demand charge for the maximum measured demand during the billing period in accordance with provisions of the otherwise applicable rate schedule.

7. Customer acknowledges that its provision of electricity to the City hereunder is on a first-offered first-accepted basis and subject to diminution and/or rejection in the event the total amount of electricity delivered to City, pursuant to this schedule, from all participating City customers, exceeds two and one-half (2.5) percent of the aggregate customer peak demand on City's electric system.

(e) **Fees.** The customer shall be required to pay the following fees for the review and processing of the application as follows. The City reserves the right to adjust the review and processing fees on an annual basis.

TABLE INSET:

Tier 1	No fee
Tier 2	\$320.00
Tier 3	\$470.00
Tier 3	Study fee -- Deposit of \$1,500.00. Customer to pay actual cost (not-to-exceed \$2,500.00).

Sec. 27-38 – 27.45. Reserved.