Ordinance 896-18

# ORDINANCE ESTABLISHING NET METERING AND BILLING POLICIES FOR BEHIND THE METER RENEWABLE GENERATORS

WHEREAS, the Village of Tontogany is a statutory village located in Wood County, Ohio, and

WHEREAS, the Village of Tontogany operates a municipal electric utility pursuant to Article XVIII, Section 4 of the Ohio Constitution, and

WHEREAS, the Village of Tontogany currently does not have policies regulating net metering and billing of behind the meter renewable generators, and

WHEREAS, the Otsego Local School District Board of Education ("District") has indicated an interest in installing a large (1,000 kW) on-site solar project (the "System" or "Generation Facility"); and

WHEREAS, the District wishes to enter into a Net Metering and Interconnection Agreement with Tontogany for the System, and

WHEREAS, the District will remain an electric customer of Tontogany, and will obtain the majority of its power and energy requirements from Tontogany, and

WHEREAS, Tontogany does not object to the District self-generating electricity, installing the Solar Systems, or entering into a Net Metering and Interconnection Agreement, and

WHEREAS, the Village Council and the Village's Utilities Superintendent have recommended certain additions to Tontogany's Codified Ordanances regarding the siting of on-site solar generators.

NOW, THEREFORE, BE IT ORDAINED, by the Council of the Village of Tontogany, Ohio that:

Section 1.	There is hereby	adopted a net metering and	d billing policy,	Codified at	Tontogany
Codified Ord	inances, section	, as follows:			0

#### Section RENEWABLE GENERATORS

- A. The Village of Tontogany Utilities Department shall allow on-site generation of electricity by solar or wind, (also referred herein as Generation Facilities), as set forth herein and subject to approval of the Village Utilities Superintendent and the Village Council.
- (i) Type of Service.
  - a. The Village shall allow single-phase, sixty hertz, on-site generating capacity of solar or wind generation providing a bi-directional meter be used to measure the

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flow of electricity in both directions.

b. The Village shall allow three-phase, sixty hertz, on-site generating capacity of solar or wind generation providing a bi-directional meter be used to measure the flow of electricity in both directions.

### (ii) Interconnection Agreement, Installation and Limitation of On-Site Generation.

- a. Application for Interconnection and Interconnection Agreement. Prior to the installation and connection of any on-site solar and/or wind generation, the customer must first submit an Application for Interconnection and Parallel Operation with the Village of Tontogany Electric Distribution System, to the Village Utilities Superintendent and Village Council for review and approval and, following approval of the Application of Interconnection, must enter into a Net Metering and Interconnection Agreement with the Village, as prescribed by the Village Council and consistent with this Ordinance.
- b. Application Fee. The application fee for interconnection to the Village's Distribution Electric System shall be \$50 for application review.
- c. Installation Costs. The Village Electric Department staff, or its agents, shall be responsible for the installation of any bi-directional meter, all poles and electric lines, and all other improvements necessary to the customer's on-site generation system, prior to or at the time of interconnection, at the sole cost of the customer.
- d. Maximum Production. The Village reserves the right to limit the aggregate amount of on-site solar to not more than XX% of the Village's annual energy requirement for on-site generating capacity that does not exceed 25 kW (kilowatts) for solar generators and not more than XX% of the Village's annual energy requirement for on-site generating capacity that exceeds 25 kW (kilowatts) for solar generators.

### (iii) Net Metering and Billing

- a. The Village shall measure the electricity produced and consumed by the customer during each billing period, in accordance with normal metering practices.
- b. The customer may direct to the Village Electric Distribution System energy generated by the Generation Facility not used by the customer, (Surplus Power).
- c. If the electricity supplied by the Village exceeds the Surplus Power during the billing period, or any portion thereof, then the customer shall be billed for the net electricity supplied by the Village together with the customer demand charge and the monthly customer charge paid by other customers of the village in the same rate class, in accordance with normal metering practices.

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d. If the Surplus Power generated by the customer during the billing period, or any portion thereof, exceeds the electricity supplied to the customer by the Village, then the customer shall (1) pay the appropriate customer demand and customer service charges as other customers of the Village in the same rate class, and (2) shall be credited for the Surplus Power directed to the Village Electric Distribution System during the billing period, with this kilowatt-hour credit appearing on the customer's bill for the following billing period, at the sum of the then-current kWh rate and kWh tax for the customer.

#### e. Annual Settlement of Accounts

- i. To reduce liability to the Village for any amounts owed for Surplus Power generated by the customer, once per year the Village Fiscal Officer will determine whether the power-producing customer has credit on his/her/its account in excess of charges for power supplied by the Village.
- ii. The Village will reduce any credits for any Surplus Power produced which are not needed to offset current usage charges to zero on December 31, without compensation to the customer.

## (iv) Interruption or reduction of delivery

- a. The Village may require power-producing customers to interrupt or reduce deliveries of electricity as follows:
  - i. When necessary in order to install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or
  - ii. If it determines that curtailment, interruption, or reduction is necessary because of emergencies, force majeure, or compliance with prudent electrical practices.
- b. Whenever possible, the Village shall give the power-producing customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- c. Notwithstanding any other provision of this Ordinance, if at any time the Village determines that either (i) the generating facility may endanger Village personnel or property, or (2) the continued operation of customer's generating facility may endanger the integrity of the Village's electric system, the Village shall have the right to temporarily or permanently disconnect customer's generating facility from the Village's electric system. Customer's generating facility shall remain disconnected until such time as the Village is satisfied that the conditions referenced in this section have been corrected.

### (v) Interconnection

- a. The power-producing customer shall deliver Surplus Power to the Village at the Village's meter, unless otherwise directed by the Village.
- b. The power-producing customer shall be responsible for designing, installing, inspecting, operating, and maintaining the electric generating facility in accordance with all applicable laws and regulations and shall comply with the

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Village's interconnection standards, at customer's sole expense.

c. The customer shall not commence parallel operation of the generating facility until written approval of the interconnection facilities has been given by the Village Utilities Superintendent and the Village Council. The Village shall have the right to have representatives present at the initial testing of the customer's electric generating facilities, and notice shall be given to the Village prior to such testing.

#### (vi) Maintenance

- a. The customer shall maintain the electric generating facility and interconnection facilities in a safe and prudent manner and in conformance with all applicable laws and regulations, including, but not limited to, the Village's interconnection standards, at customer's sole expense.
- b. The customer shall obtain all governmental authorizations and permits required for the construction and operation of the electric generating facility and interconnection facilities, at customer's sole expense.

### (vii) Access to premises

a. The Village or its employees and agents may, subject to section (iv) herein, with or without notice, enter the customer's premises to (i) inspect the customer's generating facility, (ii) read meters, or (iii) disconnect the generating facility, for reasonable cause.

Section 2: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and of any other committees that results in such formal action were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Vote: Yeas 6 Nays O Abstain O	
APPROVED THIS 21 ST DAY OF JANUARY	, 20 <u>1</u> 9.
Council President	Od Buch Mayor
Attest: Fiscal Officer Jarnshfegn	