

# City of Shasta Lake Net Energy Metering Program Tariff

## Purpose and Motivation

The purpose of this Net Energy Metering Program (NEM Program) Tariff is to encourage investment in renewable energy and to promote California's goals to reduce greenhouse gas emissions, under the terms and conditions defined herein.

## Program Design

### Overview

The NEM Program establishes general parameters that govern how energy accounting and billing practices will be applied to Eligible Customer-Generators within the City of Shasta Lake (City) electric service territory. This NEM Program Tariff compliments City policy and requirements established in the City's Customer-Generation Interconnection Policy, the City's Municipal Code, other supporting documents that facilitate a net energy metering arrangement between the City and a Customer-Generator (C-G).

### Definitions

Capitalized terms not defined in this Tariff are defined in the City's Customer-Generator Interconnection Policy.

"Eligible Customer-Generator" means a residential customer, small commercial customer, or commercial, industrial, or agricultural customer of the City, who uses a Renewable Electrical Generation Facility, or a combination of those facilities, with a total capacity of not more than one megawatt, that is located on the Customer's owned, leased, or rented premises, and is interconnected and operates in parallel with the City's electrical distribution system, and is intended primarily to offset part or all of the Customer's own electrical requirements.

"Interconnection and Net Metering Agreement A-1" means a contract between the City and Customer that facilitates the NEM A-1 Program, which is a program that is now suspended.

"Small commercial customer" means a customer assigned to a commercial rate class under the City's electric rate structure, that satisfies the conditions defined in subdivision (h) of Section 331 of Public Utilities Code, prior to installing any Equipment.

### Scope

The NEM Program shall apply to all Eligible Customer-Generators operating within the City of Shasta Lake electric service territory, interconnected to the City of Shasta Lake electric infrastructure, and operating under a net energy metering arrangement. A net energy metering arrangement is any process for energy accounting and billing that enables a Customer to benefit from its Renewable Electricity Generation Facility on a kWh-for-kWh basis for some portion of generation to avoid electric services charges of the City, facilitated by one or more electric meters. Eligibility for net energy metering does

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not limit an Eligible Customer-Generator's eligibility for any other rebate, incentive, or credit provided by the electric utility, or pursuant to any governmental program.

#### Net Energy Metering Protocol

Under the NEM Program, Eligible Customer-Generators shall operate under a modified energy accounting and billing protocol than bundled electric customers and shall benefit from their Renewable Electricity Generation Facility on a kWh-for-kWh basis to avoid electric services charges of the City, with specific timing and accounting periods defined herein. All Eligible Customer-Generators seeking energy accounting and billing protocols established in this Tariff must submit a valid application for interconnection. The NEM Program shall consist of the Net Energy Metering A-2 Program (NEM A-2). All applications for NEM Program services shall be processed under NEM A-2, until a successor program is enabled.

#### Net Energy Metering A-2 Program (Current)

Under the NEM A-2 Program, the City shall measure electricity using a compliant electric revenue meter, which is required for all distributed generation equipment interconnecting to the City's electric infrastructure. The meter must be capable of measuring the C-G's kWh consumption from the City's electric grid, and in the event the energy generated by the equipment exceeds the energy consumed, the meter will also measure the kWh that the City receives back to the electric grid from the C-G's equipment. All energy (kWh) delivered and received after the C-G serves its own instantaneous load with its equipment shall be measured by the multi-register meter. C-G will be billed consumption charges for the energy delivered by the City, based on the customer's applicable rate and rate structure. The City will provide net surplus electricity compensation to the C-G at the Net Surplus Compensation Rate, for energy the City receives; provided, that the C-G provides written affirmative election and a completed W-9 to the City. All billing shall occur on a monthly basis.

If the existing electrical meter of an Eligible Customer-Generator is not capable of measuring the flow of electricity in two directions, the Eligible Customer-Generator shall be responsible for all expenses involved in purchasing and installing a meter that is able to measure electricity flow in two directions. If an additional meter or meters are installed, the net energy metering calculation shall yield a result identical to that of a single meter.

#### Net Energy Metering A-1 Program (SUSPENDED)

NEM A-1 was suspended on April 5, 2019, after the total rated generating capacity used by Eligible Customer-Generators exceeded 5 percent of the City's aggregate customer peak demand. Only Eligible Customer-Generators with a valid "Interconnection and Net Energy Metering A-1 Agreement" may continue to receive service under NEM A-1, which measures the difference between the electricity supplied by the City to the Eligible Customer-Generator through the electrical grid and the electricity generated by an Eligible Customer-Generator and fed back to the electrical grid over a 12-month period. All NEM A-1 agreements shall expire on April 5, 2039, unless otherwise terminated prior to the scheduled expiration date.

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### Program Term

NEM A-2 shall remain in effect until further acted upon by the City Council.

### NEM Program Service Fees

Customers who apply for, and Customers with Eligible Customer-Generators operating under, the NEM Program shall remit fees to the City for the following services. All rates and fees may be updated by the City from time to time.

### Application Fee & Fees for Additional Services

Each application for interconnection shall include a one-time service fee as set forth in the Customer-Generator Interconnection Policy. The application fee shall be paid upon the submittal of the City's Solar Application and applicable permit requests. Additional service fees will apply if the City must (a) repeat its review of application materials, plans, drawings, or permits due to prior application materials being incomplete or inaccurate; (b) repeat its electric service deactivation/activation during installation; and/or (c) perform its electric service deactivation/activation outside of normal business hours. Customer shall be responsible for all applicable costs of metering equipment and installation costs, as set forth in the Customer-Generator Interconnection Policy, or as otherwise required by law.

### NEM Program Fee

A recurring fee shall be billed by the City to each Eligible Customer-Generator who enters into a net energy metering arrangement under the NEM Program to fund the City's activities related to the additional energy accounting and billing protocols related to the NEM Program.

### Non-bypassible Charges

Non-bypassible Charges (NBCs) are traditionally a percentage surcharge added to all electric bills published by the City. These dollars are used to fund energy efficiency rebates, low-income energy assistance programs, and other related programs. Eligible Customer-Generators who enter into a net energy metering arrangement under the NEM Program shall be assessed a \$/kWh rate for energy delivered by the utility to the Customer, in lieu of the Public Benefits Surcharge. None of the electricity produced by the Customer-Generator will be assessed a NBC charge.

### Net Surplus Compensation Rate

Customers who elect to receive compensation for electricity generation that exceeds their electricity consumption shall be compensated at the Net Surplus Compensation Rate applicable at the time of billing. The Net Surplus Compensation Rate may be updated from time to time.