

ORDINANCE 2021-09

AN ORDINANCE OF THE CITY OF FORT MEADE, FLORIDA AMENDING SECTION 24-155(15), CODE OF ORDINANCES OF THE CITY OF FORT MEADE ("CODE"); MODIFYING THE CITY OF FORT MEADE NET METERING PROGRAM FOR CUSTOMER OWNED RENEWABLE GENERATION; PROVIDING AUTHORIZATION; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF FORT MEADE, FLORIDA, AS FOLLOWS:

SECTION 1. LEGISLATIVE FINDINGS AND INTENT. The City hereby makes and declares the following findings and statements of legislative intent:

(1) The City has adopted the Fort Meade Electric Utility Service Ordinance to set electric rates for its electric distribution system.

(2) It is the City's policy to encourage its customers to use energy more efficiently and to rely on renewable resources of energy where feasible and cost effective.

(3) The Florida Legislature has found that it is in the public interest to promote development of renewable energy resources in this state.

(4) In accordance with Section 366.91(6), Florida Statutes, the City is required to develop a standardized interconnection agreement and net metering program for customer-owned renewable generation systems (RGS).

(5) The City, at the request of and based upon the advice of the Florida Municipal Power Agency (FMPA), has entered into the All Requirements Project (ARP) Contract, dated January 18, 2000 which governs the receipt of power by the City from customers.

(6) The ARP Contract provides that the City shall receive all the capacity and energy needed to operate its electric system from FMPA, except for resources specifically excluded by contract.

(7) According to FMPA, receiving power from customers through net metering is not an excluded resource under the ARP Contract.

(8) FMPA developed a net metering program which includes interconnection and other agreements, applications, and rate schedules necessary to implement and administer the net metering program and has insisted that the City adopt the program.

(9) Based on that program, the City adopted a net metering program pursuant to Ordinance No. 09-13.

(10) Since that time, the City has determined that, under its current ordinance, current customers end up subsidizing those solar installations.

(11) Paying the solar-producing customer its wholesale avoided costs is more equitable allocation of system costs.

SECTION 2. REPEAL OF SECTION 2, ORDINANCE NO. 09-13. Section w of Ordinance No. 09-13 is hereby repealed.

SECTION 3. MODIFICATION OF SECTION 24-155(15), CODE OF ORDINANCES. Section 24-155(15) of the Code of Ordinances of the City of Fort Meade, Florida, is hereby amended to read as follows:

~~“(15) The City hereby adopts a Net Metering Service Rate Schedule as follows:~~

~~a) **AVAILABLE:** Entire Service Area—see Exhibit “B”~~

~~b) **APPLICABLE:** This schedule is applicable to a customer who:~~

~~1. Takes retail service from the City under an otherwise applicable rate schedule at their premises.~~

~~2. Owns a renewable generating facility with a generating capacity that does not exceed 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. interconnected and operates in parallel with City of Fort Meade’s electric distribution system;~~

~~4. Provides 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.~~

~~c) **MONTHLY RATE:**~~

~~All rates charged under this schedule 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).~~

~~d) **METERING:**~~

~~Energy metering under this schedule shall be accomplished by separately registering the flow of electricity both (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.~~

~~e) 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.~~

~~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. The credit from the City shall be determined in accordance with the energy charge and bulk power cost adjustment per kWh, for the Customer's applicable rate schedule.~~

~~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 City of Fort Meade 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: (1) the minimum charge as stated in the otherwise applicable rate schedule; or (2) 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 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 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. Fees may be adjusted annually.~~

~~Tier 1 – No Fee~~

~~Tier 2 – \$300.00~~

~~Tier 3 – \$400.00~~

~~Tier 3 – Study Fee – Deposit of \$1,500.00. Customer to pay actual cost (not to exceed \$3,000.00). The City of Fort Meade hereby modifies its net metering policy as set forth in this subsection (15).~~

(1) Definitions. The following words, terms and phrases, when used in this division shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Consumer means any person or entity that receives and utilizes electric service at a specific location.

Customer means the person or entity responsible for payment for all electric services used at a specific location, and further defined as that person who has applied for and requested that services be made available at the specific location and has agreed to pay for all usage of such services occurring at the location. The customer and the consumer may be one and the same.

Customer-owned renewable generation means an electric generating system located on a customer's premises that is primarily intended to offset part or all of the electricity requirements for the customer with renewable energy. The term "customer-owned renewable generation" does not preclude the customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third party under terms and conditions that do not include the retail purchase of electricity from the third party.

DC power means electrical power of the type stored in batteries. DC power is generated by systems that utilize electrical current that does not vary over time ("direct current"). One important example of such a system is a photovoltaic solar array, which converts sunlight into DC power. DC power must be converted to AC power before it can be distributed by the utility electrical distribution system.

Distributed generation means small, modular, decentralized, grid-connected or off-grid energy systems located in or near the place where energy is used. For purposes of net metering, the generation is connected to the customer's electric system on the customer's side of the electric revenue meter.

Excess customer-owned renewable generation means 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's electric distribution system.

Net metering means a retail customer has installed a customer-owned renewable generation on the customer's side of the electric revenue meter and payment for the excess energy delivered to the City's electric distribution system shall be credited against the billing account of the customer.

Point of delivery means the point where the City's point wires or apparatus are connected with those of the consumer.

(2) Interconnection and net metering of customer-owned renewable generation systems.

(a) The City Manager shall establish a written policy designating procedures for the interconnection and net metering of customer-owned renewable generation systems in order to promote the development and use of small, customer-owned renewable generation, particularly solar and wind energy systems; lessen the dependence on fossil fuels for energy production; minimize the volatility of fuel costs; improve the environment; and minimize the costs of energy supply to customers.

(b) The interconnection of customer-owned renewable generation systems to the City's electric distribution system is on a first-offered, first-accepted basis. Interconnection is subject to diminution and/or rejection in the event the total amount of electricity delivered to the City's electric distribution system by all customer-owned renewable generation systems exceeds 5.0 percent (%) of the aggregate customer peak demand on the City's electric distribution system.

(c) The interconnection of customer-owned renewable generation systems to the City's electric distribution system is limited to systems within one of the following ranges:

- (1) Tier 1 = 10kW or less;
- (2) Tier 2 = greater than 10kW and less than or equal to 100kW;

(d) Customer-owned renewable generation systems is primarily intended to offset all or part of the customer's electric consumption requirements. As such, the gross power rating of a customer-owned renewable generation system shall be limited in size to meet the customer's peak energy load. The term "gross power rating" (GPR) means the total manufacturer's AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with the City distribution facilities. For inverter-based systems, the GPR shall be calculated by multiplying the total installed direct current (DC) nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to alternating current (AC). Customers desiring to increase the GPR of their customer-owned renewable generation system must notify the City in writing of the

proposed modifications to the system and submit a new application for interconnection specifying the proposed modifications.

(e) Customers desiring to interconnect a customer-owned renewable generation system to the City's electric distribution system 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 Fort Meade.

(f) Metering.

- (1) Energy metering from the interconnection of customer-owned renewable generation system shall be accomplished by separately registering the flow of energy both (1) from the City's electric distribution system; and (2) excess energy (kW-hr) generated by customer-owned renewable generation system and delivered to the City's electric system. The metering equipment for interconnection of customer-owned renewable generation systems shall be installed at the point of delivery at the expense of the City.
- (2) Meter readings shall be taken monthly on the same cycle as required under the otherwise applicable rate schedule.
- (3) Any meter or meters installed 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 the City.

(g) Charges. All rates charged for customer-owned renewable generation shall be in accordance with the customer's otherwise applicable rate schedule (i.e. residential; general service, demand; general service, non-demand; etc.). Customers with customer-owned renewable generation systems are responsible for all charges from their otherwise applicable rate schedule including monthly minimum charges, customer charges, meter charges, facilities charges, demand charges and surcharges.

For customer-owned renewable generation systems installed prior to January 1, 2020, charges for energy (kW-hr) supplied by the City will be based on the net metered consumption of energy in accordance with the following:

- a. Electric energy from the customer-owned renewable generation system shall first be used to serve the load and offset the demand for energy from the City's electric distribution system by the customer.

- b. Customer shall be billed for the total amount of electric power and energy delivered to customer by the City during the billing period in accordance with the otherwise applicable rate schedule.
- c. Excess energy from the customer-owned renewable generation shall be credited by the City to the customer on their monthly energy bill. Each billing cycle, the customer will be credited for the total amount of excess energy generated by the customer-owned renewable generation that is delivered to the City's electric system during the previous billing cycle. The credit from the City shall be equal to the current retail rate under Customer's applicable retail rate schedule for the purchase of electricity from the City.
- d. In the event that a credit for excess customer-owned renewable generation exceeds the total billed amount for customer's consumption in any corresponding billing period, the excess credit shall be applied to the customer's subsequent bill. Excess energy credits produced shall accumulate and offset customer's energy consumption bill for a period not to exceed twelve (12) months. In the last billing cycle of each fiscal year, any unused excess energy credits shall be paid by the City to the customer, at the City's avoided cost rate, as determined by the City.
- e. In the event that a customer closes an account, unused excess energy credits shall be paid to the customer at the City's avoided cost rate, as determined by the City. The payment will first be applied towards outstanding charges associated with the customer's account. Any balance will be sent to the last address or forwarding address by check within 180 days.
- f. 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: (1) the minimum charge as stated in the otherwise applicable rate schedule; or (2) 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.
- g. The provisions of this subsection (1) shall terminate when any of the following conditions are met:
 - i. 20 years after the original customer-owned generation system is placed into service, or

- ii. When the original owner of the property where the customer-owned renewable generation system is connected sells the property. Upon termination of the charges for energy established in this subsection (1), the customer-owned generation system will subsequently be charged in accordance to subsection (2) below.

(2) For customer-owned renewable generation systems installed after June 8, 2021, charges for energy (kW-hr) supplied by the City will be based on the net metered consumption of energy in accordance with the following:

- a. Electric energy from the customer-owned renewable generation system shall first be used to serve the load and offset the demand for energy from the City's electric distribution system by the customer.
- b. Customer shall be billed for the total amount of electric power and energy delivered to customer by the City during the billing period in accordance with the otherwise applicable rate schedule.
- c. Excess customer-owned renewable generation shall be credited by the City to the customer on their monthly energy bill. Each billing cycle, the customer will be credited for the total amount of excess energy generated by the customer-owned renewable generation that is delivered to the City's electric system during the previous billing cycle. The credit from the City will be made at the City's avoided cost rate, as determined by the City.
- d. In the event that a credit for excess customer-owned renewable generation exceeds the total billed amount for customer's consumption in any corresponding billing period, the excess credit shall be applied to the customer's subsequent bill. Excess energy credits produced shall accumulate and offset customer's energy consumption bill for a period not to exceed twelve (12) months. In the last billing cycle of each fiscal year, any unused excess energy credits shall be paid by the City to the customer, at the City's avoided cost rate, as determined by the City.
- e. In the event that a customer closes an account, unused excess energy credits shall be paid to the customer at the City's avoided cost rate, as determined by the City. The payment will first be applied towards outstanding charges associated with the customer's account. Any balance will be sent to the last address or forwarding address by check within 180 days.

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: (1) the minimum charge as stated in the otherwise applicable rate schedule; or (2) 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.

(h) Application and inspection fees. Customer shall pay the following fees for the review and processing of applications for interconnection of customer-owned renewable generation systems:

Tier 1 - No Fee
Tier 2 - \$320.00

Fees may be adjusted annually.

(i) Insurance requirements.

(1) Customers installing and operating an interconnected renewable generation system with a gross power rating of 10 kW or less shall not be required to provide proof of liability insurance. However, it is highly recommended that such customers carry an appropriate level of such insurance.

(2) Customers installing and operating an interconnected renewable generation system with a gross power rating of more than 10 kW shall provide proof of continuous general liability insurance covering personal injury and property damage with coverage limits no less than \$1,000,000.00/\$1,000,000.00. Proof of such insurance naming the City as the Certificate Holder shall be provided to the City prior to interconnection and on at least an annual basis thereafter."

SECTION 3. REPEAL OF CONFLICTING ORDINANCES. All ordinance or parts of ordinances in conflict with this Ordinance are, to the extent they conflict with this Ordinance, repealed.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, phrase or portion of this Ordinance, or application hereof, is held or declared to be unconstitutional, inoperative or void, such holding of invalidity shall not affect the remaining portions of this Ordinance and shall be construed to have been the legislative intent to pass this Ordinance without such unconstitutional, invalid or inoperative parts therein, and the remainder of this Ordinance, after the exclusion of such part or parts, shall be deemed to be held valid as if this ordinance had been adopted without such unconstitutional, invalid or inoperative part therein and if this Ordinance or any provision thereof, shall be held inapplicable to any person, group of persons, property, kind of

property, circumstances, or set of circumstances, such holding shall not affect the application thereof to any other person, property or circumstances.

SECTION 5. EFFECTIVE DATE. This Ordinance shall become effective as provided by state law.

PASSED ON FIRST READING this 11th day of May 2021.

PASSED ON SECOND READING this 8th day of June 2021.

CITY OF FORT MEADE, FLORIDA



Samuel Berrien, Mayor

ATTEST:



Melissa Cannon, Deputy City Clerk

APPROVED:



Jan Bagnall, City Manager

APPROVED AS TO FORM AND LEGALITY:



Thomas A. Cloud, Esquire
City Attorney