

RESOLUTION NO. SUA-2021-4

A RESOLUTION ADOPTING A NET ENERGY METERING DISTRIBUTED GENERATION (NEM-DG) RATE

WHEREAS, the City of Stillwater has owned and operated a municipal electric utility since July 18, 1901 for the benefit of the citizens of said City; and

WHEREAS, the Stillwater Utilities Authority, a public trust, is the operator of the City of Stillwater's municipal electric utility, a provider of retail electric service to residents and businesses located within and outside of the corporate limits of the City of Stillwater; and

WHEREAS, the Trustees of the Stillwater Utilities Authority are charged with the duty and responsibility to establish and set electric rates; and

WHEREAS, the Stillwater Utilities Authority recognizes the need to implement a Net Energy Metering Distributed Generation (NEM-DG) Tariff for customers using an energy source that is metered independently from the customer's electric usage; and

WHEREAS, it is the responsibility of the Trustees of the Stillwater Utilities Authority to ensure that electric rates are adequate to meet the financial requirements of the electric system and the City; and

WHEREAS, the Stillwater Utilities Authority believes that to maintain a high quality of service, the fees, rates and tariffs charged to the Net Energy Metering Distributed Generation (NEM-DG) customers should be adequate to cover the cost to provide the service.

NOW, THEREFORE BE IT RESOLVED BY THE CHAIR AND TRUSTEES OF THE STILLWATER UTILITIES AUTHORITY:

SECTION 1. That the Net Energy Metering Distributed Generation (NEM-DG) Rate for customers using an energy source that is metered independently from the customer's electric usage be approved as follows:

NET ENERGY METERING DISTRIBUTED GENERATION TARIFF (NEM-DG)

- I. **EFFECTIVE:** In all areas served retail by Stillwater Electric Utility, hereinafter referred to as SEU, of the Stillwater Utilities Authority.
- II. **APPLICATION:** Charges under this Tariff are in addition to those due under the customer's standard rate tariff for electric service unless otherwise noted.
- III. **AVAILABILITY:** This Tariff is applicable to customers that: (i) own and operate an electric generating facility: using fuels derived from biomass, waste or renewable energy source, including wind, solar energy, or water to produce electricity; and of a total size not exceeding the limits set forth in Section VIII (Distributed Generation or DG Facility); and (ii) receive service under one of the following retail electric tariffs: Residential Service, General Service, or Power and Light - Secondary.

This Tariff may cease to be available to new customers based on the total level of DG on SEU's system.

Service shall be furnished in accordance with SEU Rules, Regulations, and Conditions of Service, and the Rules and Regulations of the City of Stillwater and the Stillwater Utilities Authority.

- IV. **ENERGY CHARGE:** The Energy Charge for service under this Tariff will replace that set forth under the customer's standard rate tariff. SEU will net energy generated by the customer's Distributed Generation Facility against usage that would otherwise have been billed under the customer's applicable rate tariff. The monthly Energy Charge will be the sum of the: (i) Excess Energy Charge; and (ii) Excess Generation Credit, determined as follows:

NET ENERGY CREDIT: Energy generated by the customer's Distributed Generation Facility (kWh AC) during any billing period will be netted against energy consumed (kWh) up to the Net Energy Credit Limit set forth in Section VII.

EXCESS ENERGY CHARGE: Energy usage (kWh) during any billing period in excess of generation by the customer's Distributed Generation Facility (kWh AC) will be charged at the Wholesale Energy Rate set forth in Section VII.

EXCESS GENERATION CREDIT: Generation by the customer's Distributed Generation Facility (kWh AC) during any billing period in excess of consumption (kWh) will be credited at the Wholesale Energy Rate set forth in Section VI up to the Limit set forth in Section VII.

When the Energy Charge for any billing period results in a credit (negative) balance on the utility account, the credit balance will roll forward to the next billing cycle. Any remaining credit balance will expire upon the termination of electric service to a customer.

Examples of how the Energy Charge will be calculated:

At 960 kWh Consumption, 585 kWh Generation, net 375 kWh Onsite Consumption:
Energy Charge (Credit): 375 kWh x \$0.027165¹/kWh = \$ 10.19

At 560 kWh Consumption, 585 kWh Generation, net 25 kWh to Grid:
Energy Charge (Credit): -25 kWh x \$0.027165/kWh = \$ (0.68)

SEU PRODUCTION COST ADJUSTMENT: The Stillwater Electric Utility Production Cost Adjustment will not be assessed to DG customers.

- V. **SERVICE AVAILABILITY FEE:** For any billing period during which a customer receives service under this Tariff a fixed Service Availability Fee will be charged. The Service Availability Fee will be based on the customer's standard rate tariff as follows:

Residential Service (RS)	\$42.00 per customer per month
General Service (GS)	\$190.00 per customer per month
Power and Light – Secondary (PL-S)	\$1,400.00 per customer per month

- VI. **WHOLESALE ENERGY RATE:** The Wholesale Energy Rate will be based on the SEU's avoided cost. The utility's avoided cost is based upon the current applicable wholesale power rate from the Grand River Dam Authority (GRDA), including any applicable GRDA Power Cost Adjustment. The Wholesale Energy Rate will be set monthly.

- VII. **LIMITATIONS:** For any billing period the following limits will apply to Section IV charges.

NET ENERGY CREDIT LIMIT: The Net Energy Credit is limited to the customer's maximum energy usage during any billing period from the previous calendar year. No Net Energy Credit will be provided for any generation above this amount.

A new customer's maximum credit will be established after the first calendar year of service. To receive the maximum benefit from the Distributed Generation Facility installation, the customer shall size the installation based on the anticipated maximum annual billing period energy (kWh) usage, and not larger than the size set forth in Section VIII.

EXCESS GENERATION CREDIT LIMIT: The Excess Generation Credit is limited to the customer's maximum energy usage during any billing period from the previous calendar year. No Excess Generation Credit will be provided for any generation above this amount. A new customer's maximum credit will be established after the first calendar year of service.

¹ Illustrative amount for purposes of demonstrating the calculation.

Examples of how the customer limits will be calculated:

Previous Calendar Year Billing Period Maximum kWh usage:	1,000
kWh Customer Generation (Billing Period):	2,000
kWh	
Customer Current Month Total Consumption :	1,100 kWh
Customer Net Energy Credit :	
= Minimum of Generation, Consumption or Maximum:	1,000 kWh
Customer Excess Energy Charge: @ Wholesale rate:	
= Consumption – Net Energy Credit	
= 1,100 – 1,000 =	100 kWh
Excess Generation Credit @ Wholesale rate:	
= Generation – Net Energy Credit	
= 2,000 – 1,000 =	1,000 kWh
Energy Charge (Credit):	
= Excess Energy – Excess Generation	
= 100 – 1,000 =	900 kWh credit

Previous Calendar Year Billing Period Maximum kWh usage:	1,000
kWh Customer Generation (Billing Period):	500
kWh	
Customer Current Month Total Consumption :	1,100 kWh
Customer Net Energy Credit :	
= Minimum of Generation, Consumption or Maximum:	500 kWh
Customer Excess Energy Charge: @ Wholesale rate:	
= Consumption – Net Energy Credit	
= 1,100 – 500 =	600 kWh
Excess Generation Credit @ Wholesale rate:	
= Generation – Net Energy Credit	
= 500 – 500 =	0 kWh
Energy Charge (Credit):	
= Excess Energy – Excess Generation	
= 600 – 0 =	600 kWh charge

VIII. SYSTEM INFRASTRUCTURE: Residential, General Service, and Power and Light - Secondary customer installations eligible for service under this Tariff are limited to a total maximum installed capacity of 125% of the customer's peak load for the prior calendar year or 100 kW, whichever is less or a minimum capacity of 2kW. For installations of 100 kW and larger, the City of Stillwater may require that a study on the impact to nearby system infrastructure be completed prior to installation. The customer shall be responsible for the actual costs of this study as well as required infrastructure upgrades.

The City of Stillwater may allow installations bigger or smaller than these limits for any customer at its sole discretion, on a case-by case basis, and subject to additional conditions, including revised charges. The City of Stillwater may limit participation at its sole discretion for issues of equity or system integrity, among other issues.

IX. INTERCONNECTION AGREEMENT: Any customer desiring to receive credit for Distributed Generation Facility generation under this rate schedule is required to execute the then-applicable DG Interconnection Agreement, a current copy of which is attached as Exhibit I, prior to delivering energy to the City of Stillwater. Distributed Generation Facility installation shall follow all requirements as described in the Interconnection Agreement. By executing an Interconnection Agreement, a customer agrees to all such requirements.

X. ENERGY PRODUCTION: To maintain eligibility under this Tariff, the customer's Distributed Generation Facility must be in working order. After ninety (90) days during which the Distributed Generation Facility generates dramatically less than typical production (for example, generating 20% or less of normal rated capacity) or is inoperable, the customer may become ineligible for service under this Tariff and may be returned to its regular retail electric tariff.

- XI. METERING EQUIPMENT:** Customers under this rate tariff shall have two sets of metering equipment. One meter to measure the customer's consumption and a second meter to measure the customer's Distributed Generation Facility generation. The customer shall be responsible for the actual costs of the metering equipment supplied by the utility.
- XII. APPLICATION FEES:** Customer will be charged a non-refundable application fee to cover the cost of application processing.
- XIII. TERM:** The utility has the right to modify, suspend, or terminate this Tariff upon thirty (30) days' notice to customers.

SECTION 2. This Resolution shall become effective July 1, 2021.

PASSED, APPROVED AND ADOPTED THIS 19TH DAY OF APRIL, 2021.

STILLWATER UTILITIES AUTHORITY
a public trust

WILLIAM H. JOYCE, CHAIR

ATTEST:
(seal)

TERESA KADAVY, SECRETARY

APPROVED AS TO FORM AND LEGALITY THIS 19TH DAY OF APRIL, 2021.

JOHN E. DORMAN, GENERAL COUNSEL



EXHIBIT I

DISTRIBUTED GENERATION INTERCONNECTION AGREEMENT NET ENERGY METERING WITH SERVICE AVAILABILITY FEE

This agreement made and entered into this ____ day of _____, 20____, by and between Stillwater Utilities Authority, Stillwater, Oklahoma (“Utility”), and _____, located at _____, Stillwater, Oklahoma 7407__, hereinafter referred to as "Customer" (individually, “Party”, and, collectively, “Parties”).

SECTION 1. CUSTOMER ELECTRIC GENERATING FACILITY

1.1. Customer intends to own and operate an inverter-based electric generating facility using fuels derived from biomass, waste or renewable energy source, including wind, solar energy, or water to produce electricity. Customer desires to operate such generation parallel with the Utility's system. The Utility has no direct financial involvement in the investment, construction, operation or maintenance of Customer's generation facility. The Customer has completed an application for interconnection with the utility system and paid all applicable fees associated therewith. A copy of this application is attached to this agreement as Appendix “A”.

1.2. The Utility is willing to permit Customer to operate its generating facility in parallel with Utility's system pursuant to the terms of the then-applicable Distributed Generation Tariff.

SECTION 2. BILLING

2.1. The Customer shall be billed according to the applicable Distributed Generation Tariff for electricity delivered to the Customer.

2.2. The Utility shall provide credits to the Customer for energy generated and delivered to the Utility pursuant to the terms of the then-applicable Distributed Generation Tariff.

SECTION 3. TERM

3.1. This Agreement shall be in effect when signed by the Customer and the Utility and shall remain in effect thereafter month to month unless terminated by either Party on thirty (30) days prior written notice.

SECTION 4. STANDARD COMPLIANCE

4.1. Customer represents and agrees that the generating facilities are, or will be prior to operation, certified as complying with:

4.1.1. The requirements of the Institute of Electrical and Electronics Engineers (IEEE) Standard 1547-2003, “Standard for Interconnecting Distributed Resources with Electric Power Systems”, as amended and supplemented as of the date of this Agreement, which standard is incorporated herein by this reference (IEEE Standard 1547-2003); or

4.1.2. The requirements of the Underwriters Laboratories (UL) Standard 1741 concerning Inverters, Converters and Controllers for Use in Independent Power Systems, as amended and

supplemented as of the date of this Agreement, which standard is incorporated herein by this reference.

SECTION 5. INTERRUPTION OR REDUCTION OF DELIVERIES

- 5.1. The Utility may require Customer to interrupt or reduce deliveries as follows:
 - 5.1.1. When necessary in order to construct, install, maintain, repair, replace, remove, investigate, or inspect any of its equipment or part of its system; or
 - 5.1.2. If it determines that curtailment, interruption, or reduction is necessary because of emergencies, or lack of compliance with prudent electrical practices.
- 5.2. Whenever possible, the Utility shall give Customer reasonable notice of the possibility that interruption or reduction of deliveries may be required.
- 5.3. Notwithstanding any other provision of this Agreement, if at any time the Utility determines that either:
 - 5.3.1. The generating facility may endanger Utility personnel, or
 - 5.3.2. The continued operation of Customer's generating facility may endanger the integrity of the Utility's electric system, then the Utility shall have the right to disconnect Customer's generating facility from the Utility's electric system. Customer's generating facility shall remain disconnected until such time as the Utility is satisfied that the endangering condition(s) have been corrected.

SECTION 6. INTERCONNECTION

- 6.1. Customer shall deliver energy to the Utility at the utility's meter.
- 6.2. Customer shall pay for designing, installing, inspecting, operating, and maintaining the electric generating facility in accordance with all applicable laws and regulations and shall comply with this Agreement and the Utility's Terms and Conditions of Service.
- 6.3. Customer shall pay for the Utility's standard service hook-up, if not already present. Customer shall also pay for separate metering equipment, including installation costs, for the electric generation equipment.
- 6.4. Customer shall not commence parallel operation of the generating facility until written approval of the interconnection facilities has been given by the Utility. Such approval shall not be unreasonably withheld. The Utility shall have the right to have representatives present at the initial testing of Customer's protective apparatus. Customer shall notify the Utility when testing is to take place. Customer shall install and maintain, at Customer's expense, a disconnect switch capable of being locked open, located outside, and accessible by Utility personnel.

SECTION 7. MAINTENANCE AND PERMITS

- 7.1. Customer shall:
 - 7.1.1. 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 Utility's Terms and Conditions of Service, and
 - 7.1.2. Obtain any governmental authorizations and permits required for the construction, operation and/or modification of the electric generating facility and interconnection facilities, including electrical permit(s).

7.1.3. Reimburse the Utility for any and all losses, damages, claims, penalties, or liability it incurs as a result of Customer's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of Customer's generating facility or failure to maintain Customer's generating facility as required in 7.1.1 above.

7.1.4. Notify the Utility in writing prior to any additions or modifications to the generating facility. Substantial changes to equipment ratings or configurations may impact utility infrastructure. Additional fees and permits may be required.

SECTION 8. ACCESS TO PREMISES

8.1. The Utility may enter Customer's premises or property to:

8.1.1. Inspect, at all reasonable hours, Customer's generating facility's protective devices;

8.1.2. Read meter; and

8.1.3. Disconnect, without advance notice, the generating facilities if, in the Utility's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or the Utility's facilities, or the property of others from damage or interference caused by Customer's electric generating facilities, or lack of properly operating protective devices or inability to inspect the same.

8.2. The Utility inspection or other action shall not constitute approval by the Utility. The Customer remains solely responsible for the safe and adequate operation of its facilities.

SECTION 9. INDEMNITY

Customer shall defend, protect, indemnify and hold harmless Utility, its directors, officers, employees, and agents from and against any and all losses, liability, damages, claims, costs, charges, demands, or expenses (including any direct, indirect or consequential loss, liability, damage, claim, cost, charge, demand, or expense, and reasonable attorneys' fees) for injury or death to persons and damage to property, arising, directly or indirectly, out of or interconnection with (a) engineering, design, construction, maintenance, repair, operation, supervision, inspection, testing, protection or ownership of Customer's facilities.

SECTION 10. MISCELLANEOUS PROVISIONS

10.1. This Agreement shall be governed by and interpreted and construed in accordance with the laws of the State of Oklahoma.

10.2. The provisions of Utility's Terms and Conditions of Service and contract(s) for purchase of wholesale power now or hereafter in effect shall apply to this Agreement.

10.3. The following appendices, attached to this Agreement, are incorporated herein by reference:

Appendix A – Interconnection Application

Appendix B – Generation Facility Certificate of Completion

Appendix C – Customer Checklist for Utility Interconnection

Accepted and executed this ____ day of _____, 20____.

STILLWATER UTILITIES AUTHORITY
A Public Trust

By:_____

Attest:
(seal)

By:_____