TOWN OF FREDERICK, COLORADO ORDINANCE NO. <u>1207</u>

AN ORDINANCE OF THE TOWN OF FREDERICK, COLORADO, AMENDING CHAPTER 13, ARTICLE IV OF THE FREDERICK MUNICIPAL CODE, BY THE ADDITION OF A NEW SECTIONS 13-145 AND 13-146, APPROVING THE RENEWABLE ENERGY NET METERING POLICY, THE LED LIGHTING REBATE PROGRAM, AND THE ENERGY STAR APPLIANCE REBATE PROGRAM FOR FREDERICK POWER AND LIGHT.

WHEREAS, the Town of Frederick owns and operates the Frederick Power and Light as an Enterprise Fund of the Town; and

WHEREAS, with the advent of technological changes in the generation of electrical energy, it has become feasible for individual customers to own and operate equipment capable of producing electrical energy at their place of residence or business, sufficient to meet the bulk of their in-home or in-business electrical usage; and

WHEREAS, the Frederick Power and Light seeks to encourage and promote the use of renewable energy sources throughout its system, including those energy sources developed by individual homeowners and businesses, through the purchase of the excess energy produced for use within the Frederick Power and Light system; and

WHEREAS, the Frederick Power and Light has proposed to develop a **Renewable** Energy Net Metering Policy, to provide the framework for the connection of individual customer owned electric generating facility (GF) equipment with the Frederick Power and Light system, establishing certain guidelines and standards for the generating facility equipment, establishing a mechanism for determining the monthly excess energy generation credit to be allowed to the customer's utility bill, and establishing a mechanism for determining the customer's annual excess energy generation credit to be rebated at the end of the calendar year; and

WHEREAS, in recognition that modern LED light bulbs are increasingly replacing traditional incandescent, fluorescent and CFL light bulbs, resulting in a reduction of the electrical energy used by residences and businesses within the Town, the Frederick Power and Light has proposed to develop a LED Lighting Rebate Program to be available to all customers of the Frederick Power and Light to encourage the replacement of existing incandescent, florescent and CFL light bulbs with modern LED light bulbs; and

WHEREAS, in recognition that Energy Star rated appliances are now available and will also result in decreased electrical use throughout the Town, the Frederick Power and Light has proposed to participate in the **Energy Star Appliance Rebate Program** to be available to all customers of the Frederick Power and Light to encourage the replacement of existing low efficiency appliances with Energy Star rated appliances; and

WHEREAS, the Board of Trustees of the Town of Frederick has determined that the Renewable Energy Net Metering Policy, the LED Lighting Rebate Program and the Energy Star Appliance Rebate Program are in the best interest of the citizens of the Town of Frederick and will promote the health, safety and welfare of the residents of the Town;

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK, COLORADO, AS FOLLOWS:

Section 1. Article IV, Electrical Utility is hereby amended by the addition of a new Section 13-145, to read as follows:

13-145 Renewable Energy Net Metering Policy.

(a) There shall be established a **Renewable Energy Net Metering Policy** for the Frederick Power and Light for the benefit of the customers of the utility, consistent with the provisions of C.R.S. §40-2-124(7).

- (b) The following definitions shall apply to the Renewable Energy Net Metering Policy:
 - 1. "Customer-generator" shall mean an end-use electric customer that generates electricity on the customer's side of the meter using eligible energy resources.
 - 2. "Eligible energy resources" shall mean photo-voltaic electric generation facilities located on site at the customer's facilities which comply with the interconnection standards adopted by the Frederick Power and Light.
- (c) The following size limits shall apply to customer-generators subject to net metering:
 - 1. Residential customer-generators may generate electricity from eligible energy resources subject to net metering up to ten (10) kilowatts.
 - 2. Commercial or industrial customer-generators may generate electricity from eligible energy resources subject to net metering up to twenty-five (25) kilowatts.

(d) If a customer-generator generates electricity in excess of the customer-generator's monthly electricity consumption, all such excess electricity, expressed in kilowatt-hours, shall be carried forward from month to month and credited at a ratio of one to one against the customer-generator's energy consumption, expressed in kilowatt-hours, in subsequent months.

(e) Customer-generators shall receive credit for electricity generated by eligible energy resources in excess of the customer-generator's monthly electricity consumption at a rate to be determined annually by the Board of Trustees (the "Net Metering Rate"), which shall be determined for each calendar year on or before January 1.

(f) Within sixty (60) days after the end of each calendar year, or within sixty (60) days after a customer-generator terminates retail electric service, the Frederick Power and Light shall account for any excess energy generation expressed in kilowatt-hours accrued by the customer-generator and credit the customer-generator for such excess energy at the Net Metering Rate. Such credit shall be applied first to any outstanding balance on the customer's retail electric service account with the Frederick Power and Light. If all of the customer-generator's electricity bills have been paid in full, the Frederick Power and Light shall remit a check to the customer-generator for any remaining credit.

(g) The Electric Utility Manger of the Frederick Power and Light shall develop and post generation interconnection standards and requirements for eligible energy resources that are functionally similar to those established in the rules promulgated by the Colorado Public Utilities Commission pursuant to C.R.S. § 40-2-124.

Section 2. Article IV, Electrical Utility is hereby amended by the addition of a new Section 13-146, to read as follows:

13-146 Electric Utility Rebate Programs.

(a) The Frederick Power and Light is hereby authorized to adopt rebate programs for its retail electric customers, including but not limited to an LED Lighting Rebate Program and the Energy Star Appliance Rebate Program, subject to prior approval by the Board of Trustees.

(b) Such rebate programs shall be administered by the Frederick Power and Light. Funding of any such rebate program will be limited to the annual appropriations of the Frederick Power and Light and will be based on a first-come, first-served basis.

(c) The amount of such rebate shall be as set by the Board of Trustees in the fee schedule adopted by resolution and may be changed from time to time.

Section 3. Effective Date. This ordinance shall be published and become effective as provided by law.

Section 4. Severability. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of the ordinance. The Town Board hereby declares that it would have passed the ordinance including each part, section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more parts, sections, subsections, sentence, clauses or phrases are declared invalid.

Section 5. Repealer. All ordinances or resolutions and motions of the Board of Trustees of the Town of Frederick or parts thereof, in conflict with this ordinance are to the extent of such conflict hereby superseded and repealed, provided that such repealer shall not repeal the repealer clauses of such ordinance, resolution or motion, nor revive any ordinance, resolution or motion thereby.

INTRODUCED, READ, PASSED, ADOPTED AND ORDERED PUBLISHED THIS ______ DAY OF Section 2015.

ATTEST: By <u>Mahaw Mature</u> Meghan C. Martinez, Town Clerk 20150723 Ord Renewable Energy Net Metering Policy 20150723 Ord Renewable Energy Net Metering Policy 3 of 3