

For the Distributed Generation (DG) Customer

September 25, 2018

The City of Ponca City has determined that it is in the best interest of the citizen owners of the utility to develop and adopt a Distributed Generation Program. This program will allow customers to install renewable energy generation equipment at their meter location to be used to offset their electrical usage. Such behind-the-meter generation equipment, typically solar or wind generators, will interconnect with the City's electric distribution system and will also permit the customer to generate onto the City's system.

The Distributed Generation Program currently consists of these parts:

1. A resolution adopting the guidelines for the program – the guidelines are in Exhibit "A".
2. A resolution to amend the OMPA Power Sales Agreement to allow the City to purchase power from DG customers (the resolution and contract are not included in this packet).
3. City Electric Building Code Ordinance changes.
4. City Electric Rate Ordinance changes.

The customer and customer's contractor are required to follow the DG program guidelines. In addition, the City requires from the customer or their contractor a completed DG application, a building permit, and system documentation.

RESOLUTION ADOPTING GUIDELINES FOR THE DISTRIBUTED GENERATION PROGRAM FOR THE PONCA CITY UTILITY AUTHORITY AND THE CITY OF PONCA CITY

WHEREAS, the Ponca City Utility Authority ("Authority") operates the Municipal Electric system of the City of Ponca City and has recognized the need to be prepared for requests by customers for Distributed Generation that customers may want to place on their homes or business; and

WHEREAS, the Authority desires to provide safety to those who maintain the distribution system and safety to the public; and

WHEREAS, the Trustees of the Authority want to ensure that costs are not transferred from one class of customer to another class of customer and that the city has adequate guidelines in place to address the installation of Distributed Generation, requirements for obtaining proper permits for such installation and identifying costs associated for proper review of installations, metering, and charges for such; and

WHEREAS, the Trustees of the Authority believe it in the best interest of the citizen owners of the municipal to adopt a Distributed Generation Program containing provisions to meet all of the stated goals.

THEREFORE BE IT RESOLVED by the Board of Trustees of the Authority that the Guidelines for Distribution Generation Program attached hereto as Exhibit "A" are hereby approved.

BE IT FURTHER RESOLVED that the officers and employees of the City of Ponca City are hereby authorized and directed to take what actions as may be reasonably necessary to implement the program.

CITY ELECTRIC BUILDING CODE ORDINANCE CHANGES

10-2-5: PERMITS, FEES, INSPECTIONS, PLANS, TEMPORARY SERVICE:

- A. Permit Required: No electrical work, with the exceptions as noted in currently adopted editions of the national electrical code and the international residential code, may be performed on electric services or systems served by the Ponca City electric distribution system unless the person performing such work, or an authorized applicant representing that person, obtains a valid permit from the electrical inspector or his designee. Modification of a residence or building to add solar panels, wind generators, or other generation that can put power on the Ponca City electric distribution system also requires a valid permit. Permit fees shall be as established by the board of commissioners and shall be paid before issuance of the permit, except by prior agreement between the applicant and city code officials.

10-2-10: CUSTOMER OWNED GENERATION SYSTEMS:

Any customer of the city who desires to connect customer owned, electrical generation equipment to the customer's structures which are also served by the city's electrical system, may do so only under the following conditions:

- A. No nonrenewable forms of generation may be interconnected with Ponca City Energy's distribution system.
- B. Prior to installation, plans for the project must be submitted to development services department for review. Upon approval of such plans following this review, development services may issue a permit for the installation.
- C. Upon completion of the project under such a permit, and before energization, an inspection must be made by the city to assure safe operation and compliance with all applicable codes. Upon successful inspection, Ponca City Energy shall be notified by the city so that proper metering can be installed; any cost of that meter or installation in excess of the costs for standard meters must be paid by customer.
- D. Customer's with connected generation will be metered and billed according to the Ponca City Distributed Generation billing rates and guidelines. The customer charge and energy charges will differ from the rates for non-distributed generation customers. The City will pay for excess energy generated by the customer's system which is not used by customer at the rate set for such payments.

CITY ELECTRIC RATE ORDINANCE CHANGES

In order to address the adequate distribution of utility operational costs associated with customer connection requirements, the City has adopted special rates and charges for customers that install behind-the-meter generation equipment. The Distributed Generation Customers rate schedule has been added to the rate ordinance. These rates will be effective beginning with the July 2018 billings.

AN ORDINANCE AMENDING THE CITY CODE TO PROVIDE FOR BEHIND-THE-METER ELECTRIC RATES, REPEALING ORDINANCES IN CONFLICT, PROVIDING FOR SEVERABILITY AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the Board of Commissioners deems it necessary to adopt special rates and charges for customers that install behind-the-meter generation equipment, in order to accommodate cost recovery, capital expenditure needs and the payment of city dividends;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PONCA CITY, OKLAHOMA that the Code of Ordinances be amended as follows:

- (5) Distributed Generation Customers
All residential customers with behind-the-meter generation equipment shall pay a monthly customer charge as follows:

Monthly Customer Charge \$45.00

All residential customers with behind-the-meter generation equipment shall pay for each kilowatt-hour received from the electrical system as follows:

Summer Season --Per kWh
(May through September usage periods)
First 1000 kWh \$0.071
Over 1000 kWh \$0.106

Winter Season – Per kWh
(October through April usage periods)
First 1000 kWh \$0.071
Over 1000 kWh \$0.075

All residential customers with behind-the-meter generation equipment shall be credited for each kilowatt-hour delivered to the electrical system as follows:

Per kWh \$0.035