

ORDINANCE NO. 21-778

AN ORDINANCE TO AMEND TITLE V: PUBLIC WORKS OF THE MUNICIPAL CODE OF THE CITY OF FRIEND, NEBRASKA TO REGULATE SOLAR ENERGY, TO REPEAL ALL ORDINANCES IN CONFLICT HEREWITH, TO PROVIDE FOR THE POSTING OR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; AND TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT.

Section 1. Chapter 54 of the Municipal Code of the City of Friend, Nebraska, is added as follows:

CHAPTER 54: SOLAR ENERGY

Section

54.01 Definitions

54.02 Cogeneration of Qualified Facilities

54.03 Monetary Credits

54.04 Inspection and Notice Required; Ownership of Credits

§ 54.01 DEFINITIONS

For the purposes of this title, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CUSTOMER-GENERATOR: An end-use electricity customer that generates electricity on the customer's side of the meter from a qualified facility.

INTERCONNECTION AGREEMENT: An agreement between a local distribution utility and a customer-generator that establishes the financial, interconnection, safety, performance, and reliability requirements relating to the installation and operation of a qualified facility in accordance with the standards prescribed in sections Neb. Rev. Stat. § 70-2001 to 70-2005.

LOCAL DISTRIBUTION UTILITY: The owner or operator of the local distribution system, the City of Friend.

LOCAL DISTRIBUTION SYSTEM: The equipment and facilities used to distribute electric energy to the end-use electricity customer.

NET EXCESS GENERATION: The net amount of energy, if any, by which the output of a qualified facility exceeds a customer-generator's total electricity requirements during a billing period.

NET METERING: A system of metering electricity in which a local distribution utility:

- (a) Credits a customer-generator at the applicable retail rate for each kilowatt-hour produced by a qualified facility during a billing period up to the total of the customer-generator's electricity requirements during that billing period. A customer-generator may be charged a minimum monthly fee that is the same as other noncustomer-generators in the same rate class but shall not be charged any additional standby, capacity, demand, interconnection, or other fee or charge; and
- (b) Compensates the customer-generator for Net Excess Generation during the billing period at a rate equal to the electric utility avoided cost of electric supply over the billing period. The monetary credits shall be applied to the bills of the customer-generator for the preceding billing period and shall offset the cost of energy owed by the customer-generator. If the energy portion of the customer-generator's account is less than zero in any month, monetary credits shall be carried over to future bills of the customer-generator until the balance is zero. At the end of each annualized period, any excess monetary credits shall be paid out to coincide with the final bill of that period.

QUALIFIED FACILITY: A facility for the production of electrical energy that:

- (a) Uses as its energy source either methane, wind, solar resources, biomass, hydropower resources, or geothermal resource;
- (b) Is controlled by the customer-generator and is located on-premises owned, leased, or otherwise controlled by the customer-generator;
- (c) Interconnects and operates in parallel with the local distribution system;
- (d) Is intended to meet or offset the customer-generator's requirements for electricity;
- (e) Is not intended to offset or provide credits for electricity consumption at another location owned, operated, leased, or otherwise controlled by the customer-generator or for any other customer;
- (f) Has a rated capacity at or below twenty-five kilowatts;
- (g) Meets all applicable safety, performance, interconnection, and reliability standards established by the National Electrical Code filed with the Secretary of State and adopted by the State Electrical Board under subdivision (5) of Neb. RS 81-2104, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, and the Underwriters Laboratories, Inc.; and

- (h) Is equipped to automatically isolate the qualified facility from the electrical system in the event of an electrical power outage or other conditions where the line is de-energized.

§ 54.02 COGENERATION OF QUALIFIED FACILITIES

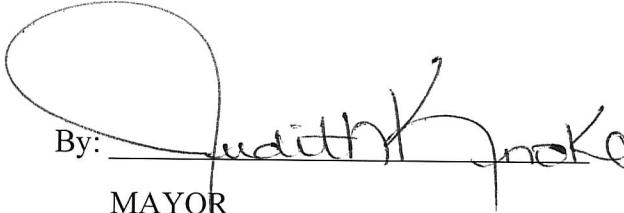
- (A) The local distribution utility shall interconnect the qualified facility of any customer-generator that enters into an interconnection agreement with the municipality as the owner and operator of the municipal electrical system through the Utilities Superintendent. The customer-generator must satisfy the requirements for a qualified facility and other requirements of Neb. Rev. Stat. § 70-2001 to 70-2005 and pay for costs incurred by the local distribution utility for equipment or services required for interconnection that would not be necessary if the qualified facility were not interconnected to the local distribution system, except as provided in subsection (B) and as may be provided for in the utility's aid in construction policy.
- (B) The local distribution utility shall provide, at no additional cost to any customer-generator with a qualified facility, a metering system capable of measuring the flow of electricity in both directions and may be accomplished through the use of a single, bidirectional electric revenue meter that has only a single register for billing purposes, a smart metering system, or another meter configuration that the customer-generator can easily read.
- (C) A qualified facility's net excess generation during a billing period, if any, shall be determined by the local distribution utility in accordance with Neb. Rev. Stat. § 70-2002 and shall be credited to the customer-generator at a rate equal to the local distribution utility's avoided cost of electricity supply during the billing period, and the monetary credits shall be carried forward from billing period to billing period and credited against the customer-generator's retail electric bills in the subsequent billing period. Any excess monetary credits shall be paid out to coincide with the final bill at the end of each annualized period or within sixty days after the date the customer-generator terminates its retail service.
- (D) A local distribution utility shall not be required to provide net metering to additional customer-generators, regardless of the output proposed generation unit, after the date during a calendar year on which the total generation capacity of all customer-generators using net metering served by such local distribution utility is equal to or exceeds one percent (1%) of the capacity necessary to meet the local distribution utility's average aggregate customer monthly peak demand forecast for that calendar year.

§ 54.03 INSPECTION AND NOTICE REQUIRED; OWNERSHIP OF CREDITS

- (A) A customer-generator shall request an inspection from the State Electrical Division pursuant to subsection (1) of Neb. RS 81-2124 or subsection (1) of Neb. Rev. Stat. §81-2125 and shall provide documentation of the completed inspection to the local distribution utility before interconnection with the local distribution system.
- (B) A customer-generator is responsible for notifying the local distribution utility of its intent to install a qualified facility at least sixty (60) days before installation and for all costs associated with the qualified facility.
- (C) A local distribution utility shall not be required to interconnect with a qualified facility that fails to meet or maintain the local distribution utility's requirements for safety, reliability, and interconnection.
- (D) A customer-generator owns the renewable energy credits of the electricity its qualified facility generates.

Passed and approved this 7th day of DECEMBER, 2021.

CITY OF FRIEND, NEBRASKA

By: 
MAYOR

Attest:


CITY CLERK/TREASURER

