

**CITY OF RICHMOND, INDIANA**

**ORDINANCE NO. 27-2018**

**A SPECIAL ORDINANCE DISCONTINUING NET METERING AND  
COGENERATION RATES FOR RICHMOND POWER & LIGHT COMPANY**

**WHEREAS**, the City of Richmond, Indiana owns and operates its own electric utility, Richmond Power & Light Company (hereinafter “RP&L”), under the supervision and control of the Board of Directors (hereinafter “Board”), of RP&L pursuant to IC 8-1.5-3-4; and

WHEREAS, in the seven years since it has been in effect, no customers have qualified for, nor meet the terms and conditions of, receiving service under RP&L’s Net Metering tariff for an eligible solar, wind, biomass, geothermal, hydroelectric, or other renewable energy source, as approved by Ordinance No. 54-2010; and

WHEREAS, in 2017, the Indiana General Assembly passed Senate Enrolled Act 309 (“SEA 309”) which exempted municipally-owned utilities, pursuant to IC 8-1-40-3(b) from being required to provide net metering to customers; and

WHEREAS, legislative discussions surrounding the passage of SEA 309 also recognized that under historic net metering arrangements, net metering customers were not paying the full distribution costs necessary to serve them, resulting in a unfair subsidy between customers; and

WHEREAS, even without the Net Metering Rate, the customer self-generation of renewable electricity is still permitted in RP&L’s service territory and throughout Indiana, provided it is done consistently with other applicable state and federal laws; and

WHEREAS, as it has in the past, RP&L will continue to work with customers installing renewable energy projects on their premises to ensure safe and reliable interconnection with the

utility's system and the provision of supplemental and back-up power under RP&L's applicable tariff rates; and

WHEREAS, RP&L's tariff also includes a Cogeneration "CG" Rate available to customers operating a "qualifying facility" (a cogeneration or small power production facility) in accordance with 170 IAC 4-4.1; and

WHEREAS, on June 28, 2017 in Cause No. 44898, the Indiana Utility Regulatory Commission ("IURC" or "Commission") approved the assumption by the Indiana Municipal Power Agency ("IMPA") of all obligations of its Commission-regulated municipal members, including RP&L, to purchase energy and capacity offered by a qualifying facility under 170 IAC 4-4.1, thus rendering the CG Rate obsolete; and

WHEREAS, like with the Net Metering Rate, no customers are currently taking service under the CG Rate, and any future cogeneration customers in RP&L's service territory may be served by IMPA; and

WHEREAS, given these facts, the Board has recommended to the Council that it discontinue RP&L's the Net Metering and Cogeneration Rates; and

WHEREAS, based upon the recommendation of the Board, and given that the Net Metering and Cogeneration rates are not being used and/or are obsolete, the Council determines that RP&L's tariff should be amended to remove the Net Metering and Cogeneration Rates.

**NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF RICHMOND, INDIANA, THAT:**

SECTION 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION 2. The tariff of Richmond Power & Light Company shall be amended to discontinue the Net Metering and Cogeneration Rates, as set forth in the tariffs attached hereto as “Exhibit A” to be filed and become effective upon approval by the Indiana Utility Regulatory Commission.

SECTION 3. This ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

Passed and adopted by the Common Council of the City of Richmond, Indiana this \_\_\_\_ day of \_\_\_\_\_, 2018.

**RICHMOND COMMON COUNCIL**

\_\_\_\_\_, President  
Jamie Lopeman

ATTEST: \_\_\_\_\_, City Clerk  
Karen Chasteen, IAMC, MMC

PRESENTED to the Mayor of the City of Richmond, Indiana, this \_\_\_\_ day of \_\_\_\_\_,  
2018, at \_\_\_\_\_ a.m./p.m.

\_\_\_\_\_, City Clerk  
Karen Chasteen, IAMC, MMC

APPROVED by me, David M. Snow, Mayor of the City of Richmond, Indiana, this \_\_\_\_ day of  
\_\_\_\_\_, 2018, at \_\_\_\_\_ a.m./p.m.

\_\_\_\_\_, Mayor  
David M. Snow

ATTEST: \_\_\_\_\_, City Clerk  
Karen Chasteen, IAMC, MMC

## **EXHIBIT A – Discontinued Tariff Provisions**

### **~~NET METERING TARIFF RICHMOND POWER & LIGHT COMPANY~~**

#### **AVAILABILITY**

~~Net Metering is provided upon request and on a first come, first served basis. Net Metering is available to residential, commercial, and industrial customers in good standing that own and operate an eligible solar, wind, biomass, geothermal, hydroelectric, or other renewable generation source. The name plate rating of Customer's generator must not exceed 10 kW. Customers served under this tariff must also take service from the Utility under the otherwise applicable standard service tariff.~~

~~Total Net Metering participation under this tariff is limited to a total name plate rating of all Customers' generators of one tenth of one percent (0.1%) of the Utility's most recent summer peak load.~~

#### **DEFINITIONS**

~~“Net Metering” means measuring the difference in an applicable billing period between the amount of electricity supplied by Utility to Customer who generates electricity using an eligible solar, wind, biomass, geothermal, hydroelectric or other renewable generation source and the amount of electricity generated by such respective Customer that is delivered to Utility.~~

#### **BILLING**

~~Monthly charges for energy and demand, where applicable, to serve the Customer's net or total load shall be determined according to the Utility's standard service tariff under which the Customer otherwise would be served, absent the Customer's eligible Net Metering facility. The measurement of net energy supplied by Utility and delivered to Utility shall be calculated in the following manner. Utility shall measure the difference between the amount of electricity delivered by Utility to Customer and the amount of electricity generated by the Customer and delivered to Utility during the billing period, in accordance with normal metering practices. If the kWh delivered by Utility to the Customer exceeds the kWh delivered by the Customer to Utility during the billing period, the Customer shall be billed for the kWh difference. If the kWh generated by the Customer and delivered to Utility exceeds the kWh supplied by the Utility to Customer during the billing period, the Customer shall be credited in the next billing cycle for the kWh difference. When Customer elects to discontinue Net Metering service, any unused credit will be granted to Utility. The Utility shall not purchase or wheel power produced by Net Metering facilities. Bill charges and credits will be in accordance with the standard tariff that would apply if the Customer did not participate in Net Metering under this tariff.~~

## **METERING**

~~The Customer's standard meter, if capable of measuring electricity in both directions, will be used. If Utility determines new metering is necessary, the Utility will install metering capable of Net Metering at the Customer's expense. Additionally, the Utility reserves the right to install, at its own expense, a meter to measure the output of the solar, wind, biomass, geothermal, hydroelectric, or other renewable generation system.~~

## **TERMS AND CONDITIONS**

In order to be eligible for Net Metering, the Customer's generator must meet the following requirements:

- a. All kWh must be generated from the output of solar, wind, biomass, geothermal, hydroelectric, or other renewable generation sources;
- b. The generation equipment must be operated by the customer and located on the Customer's premises;
- c. The generator must operate in parallel with the Utility's transmission and distribution facilities without adversely affecting the Utility's system and equipment and without presenting safety hazards or threats to the reliability of service to the Utility, its personnel and other Customers;
- d. The Customer's generation must be intended primarily to offset all or part of the Customer's requirements for electricity;
- e. The name plate rating of Customer's generator must not exceed 10 kW and the Customer's generation must satisfy the Interconnection requirements specified below.

Customer shall make an application for Interconnection Service and execute an Interconnection Agreement acceptable to the Utility.

Customer shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of generation equipment associated with Net Metering under this tariff.

The supplying of, and billing for, service and all conditions applying thereto, are subject to the Utility's General Terms and Conditions.

## **INTERCONNECTION**

For generator systems 10 kW or smaller eligible for this tariff, the Utility's technical requirements consist of:

- a. IEEE 1547-2003, "IEEE Standard for Interconnecting Distributed Resources with Electric Power Systems" (IEEE 1547).
- b. Current version of ANSI/NFPA 70, "National Electrical Code" (NEC).
- c. Any other applicable local building codes.

Inverter based systems listed by Underwriters Laboratories (UL) to UL Standard 1741, published May 7, 1999, as revised January 17, 2001 (UL 1741), are accepted by the Utility as meeting the technical requirements of IEEE 1547 tested by UL 1741.

Conformance with these requirements does not convey any liability to the Utility for damages or injuries arising from the installation or operation of the generator system. The Utility may, at its own discretion, isolate any Net Metering facility if the Utility has reason to believe that continued interconnection with the Net Metering facility creates or contributes to a system emergency. The Utility may perform reasonable on-site inspections to verify the proper installation and continuing safe operation of the Net Metering facility and the interconnection facilities, at reasonable times and upon reasonable advance notice to the Net Metering Customer.

Customer shall operate the Net Metering facility in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Utility's electric system. Customers shall agree that the interconnection and operation of the facility is secondary to, and shall not interfere with, Utility's ability to meet its primary responsibility of furnishing reasonably adequate service to its customers.

Customer's control equipment for the Net Metering facility shall immediately, completely, and automatically disconnect and isolate the facility from Utility's electric system in the event of a fault on Utility's electric system, a fault on Customer's electric system, or loss of a source or sources on Utility's electric system.

Customer shall install, operate, and maintain, at Customer's sole cost and expense, the Net Metering facility in accordance with the manufacturer's suggested practices for safe, efficient and reliable operation of the facility in parallel with Utility's electric system. Customer shall bear full responsibility for the installation, maintenance and safe operation of the Net Metering facility. Customer shall be responsible for protecting, at Customer's sole cost and expense, the Net Metering facility from any condition or disturbance on Utility's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges.

Upon reasonable advance notice to Customer, Utility shall have access at reasonable times to the Net Metering facility whether before, during or after the time facility first produces energy, to perform reasonable on-site inspections to verify that the installation and operation of the facility comply with the requirements of this tariff and to verify the proper installation and continuing safe operation of the facilities. Utility shall also have, at all times, immediate access to breakers or any other equipment that will isolate the Net Metering facility from Utility's electric system. In non-emergency situations, Utility shall give Customer reasonable notice prior to isolating the Net Metering facility.

Customer shall agree that, without the prior written permission from Utility, no changes shall be made to the configuration of the Net Metering facility, as that configuration is described in the Interconnection Agreement, and no relay or other control or protection settings specified in the Interconnection Agreement shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the facility complies with the Utility approved settings.





INTERCONNECTION AGREEMENT  
FOR NET METERING FACILITIES  
RICHMOND POWER & LIGHT COMPANY

THIS INTERCONNECTION AGREEMENT (“Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Richmond Power & Light Company (“Utility”), and \_\_\_\_\_ (“Customer”). Utility and Customer are hereinafter sometimes referred to individually as “Party” or collectively as “Parties”.

WITNESSETH:

WHEREAS, Customer is installing, or has installed, solar, wind, biomass, geothermal, hydroelectric, or other renewable generation equipment, controls, and protective relays and equipment (“Generation Facilities”) used to interconnect and operate in parallel with Utility’s electric system, which Generation Facilities are more fully described in Exhibit A, attached hereto and incorporated herein by this Agreement, and as follows:

Location: \_\_\_\_\_  
Generator Size and Type: \_\_\_\_\_ ; and

WHEREAS, the name plate rating of the Generation Facilities does not exceed 10 kW;  
and

WHEREAS, Customer desires to receive service under Utility’s Net Metering tariff.

NOW, THEREFORE, in consideration thereof, Customer and Utility agree as follows:

1. Application. It is understood and agreed that this Agreement applies only to the operation of the Generation Facilities described above and on Exhibit A.

2. Interconnection. Utility agrees to allow Customer to interconnect and operate the Generation Facilities in parallel with Utility’s electric system in accordance with any operating procedures or other conditions specified in Exhibit A. By this Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, Utility does not give any warranty, express or implied, as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics of the Generation Facilities. The Generation Facilities installed and operated by or for Customer shall comply with, and Customer represents and warrants their compliance with: (a) the National Electrical Code and the National Electrical Safety Code, as each may be revised from time to time; (b) Utility’s rules and regulations applicable to Net Metering Customers, and Utility’s General Terms and Conditions for Electric Service, each as contained in Utility’s Electric Tariff and as each as may be revised from time to time; and (c) all other applicable local, state, and federal codes and laws, as the same may be in effect from time to

time. Customer shall install, operate, and maintain, at Customer's sole cost and expense, the Generation Facilities in accordance with the manufacturer's suggested practices for safe, efficient and reliable operation of the Generation Facilities in parallel with Utility's electric system. Customer shall bear full responsibility for the installation, maintenance and safe operation of the Generation Facilities. Customer shall be responsible for protecting, at Customer's sole cost and expense, the Generation Facilities from any condition or disturbance on Utility's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges. Customer agrees that, without the prior written permission from Utility, no changes shall be made to the configuration of the Generation Facilities, as that configuration is described in Exhibit A, and no relay or other control or protection settings specified in Exhibit A shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the Generation Facilities comply with Utility approved settings.

3. Operation by Customer. Customer shall operate the Generation Facilities in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Utility's electric system. At all times when the Generation Facilities are being operated in parallel with Utility's electric system, Customer shall operate the Generation Facilities in a manner that no disturbance will be produced to the service rendered by Utility to any of its other customers or to any electric system interconnected with Utility's electric system. Customer understands and agrees that the interconnection and operation of the Generation Facilities pursuant to this Agreement is secondary to, and shall not interfere with, Utility's ability to meet its primary responsibility of furnishing reasonably adequate service to its customers. Customer's control equipment for the Generation Facilities shall immediately, completely, and automatically disconnect and isolate the Generation Facilities from Utility's electric system in the event of a fault on Utility's electric system, a fault on Customer's electric system, or loss of a source or sources on Utility's electric system. The automatic disconnecting device included in such control equipment shall not be capable of reclosing until after service is restored on Utility's electric system. Additionally, if the fault is with Customer's Generation Facilities, such automatic disconnecting device shall not be reclosed until after the fault is isolated from Customer's facilities. Upon Utility's request, Customer shall promptly notify Utility whenever such automatic disconnecting devices operate.

4. Access by Utility. Upon reasonable advance notice to Customer, Utility shall have access at reasonable times to the Generation Facilities whether before, during or after the time the Generation Facilities first produce energy, to perform reasonable on-site inspections to verify that the installation and operation of the Generation Facilities comply with the requirements of this Agreement and to verify the proper installation and continuing safe operation of the Generation Facilities. Utility shall also have at all times immediate access to breakers or any other equipment that will isolate the Generation Facilities from Utility's electric system. The cost of such inspection(s) shall be at Utility's expense; however, Utility shall not be responsible for any other cost Customer may incur as a result of such inspection(s). Utility shall have the right and authority to isolate the Generation Facilities at Utility's sole discretion if Utility believes that: (a) continued interconnection and parallel operation of the Generation Facilities with Utility's electric system creates or contributes (or will create or contribute) to a system emergency on either Utility's or Customer's electric system; (b) the Generation Facilities are not in compliance with the requirements of this Agreement, and the non-compliance adversely affects the safety, reliability

or power quality of Utility's electric system; or (c) the Generation Facilities interfere with the operation of Utility's electric system. In nonemergency situations, Utility shall give Customer reasonable notice prior to isolating the Generating Facilities.

5. Rates and Other Charges. Monthly charges to serve the Customer's net load shall be determined with the Utility's Net Metering tariff and the standard service tariff under which the Customer otherwise would be served. This Agreement does not constitute an agreement by Utility to purchase or wheel power produced by the Generation Facilities, or to furnish any backup, supplemental or other power or services associated with the Generation Facilities, and this Agreement does not address any charges for excess facilities that may be installed by Utility in connection with interconnection of the Generation Facilities. It is also understood that if any such excess facilities are required, including any additional metering equipment, as determined by Utility, in order for the Generation Facilities to interconnect with and operate in parallel with Utility's electric system, then a separate excess facilities agreement shall be executed by Utility and Customer.

6. Insurance. Customer shall procure and keep in force during all periods of parallel operation of the Generation Facilities with Utility's electric system, homeowners, commercial, or other insurance to protect the interests of Utility under this Agreement, with insurance carriers acceptable to Utility, and in amounts not less than one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of generation equipment associated with Net Metering under this rider. Customer shall deliver a certificate of insurance verifying the required coverage to Utility at least fifteen (15) days prior to any interconnection of the Generation Facilities with Utility's electric system, and thereafter as requested by Utility.

7. Indemnification. Customer shall indemnify and hold harmless the Utility, City of Richmond, its employees, representatives, agents and subcontractors from and against all claims, liability, damages and expenses, including attorney's fees, based on any injury to any person, including the loss of life, or damage to any property, including the loss of use thereof, arising out of, resulting from, or connected with, or that may be alleged to have arisen out of, resulted from, or connected with, an act or omission by the Customer, its employees, agents, representatives, successors or assigns in the construction, ownership, operation or maintenance of the Customer's facilities used in connection with this Agreement. Upon written request of the Utility, the Customer shall defend any suit asserting a claim covered by this Section 7. If Utility is required to bring an action to enforce its rights under this Section 7, either as a separate action or in connection with another action, and said rights are upheld, the Customer shall reimburse such Utility for all expenses, including attorney's fees, incurred in connection with such action.

8. Effective Term and Termination Rights. This Agreement shall become effective when executed by both Parties and shall continue in effect until terminated in accordance with the provisions of this Agreement. This Agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at any time by giving Utility at least sixty (60) days prior written notice stating Customer's intent to terminate this Agreement at the expiration of such notice period; (b) Utility may terminate this Agreement at any time following Customer's failure to generate energy from the Generation Facilities in parallel with Utility's electric system within twelve (12) months after completion of the interconnection provided for by this Agreement;

(c) either Party may terminate this Agreement at any time by giving the other Party at least sixty (60) days prior written notice that the other Party is in default of any of the material terms and conditions of this Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity for the Party in default to cure the default; or (d) Utility may terminate this Agreement at any time by giving Customer at least sixty (60) days prior written notice in the event that there is a change in an applicable rule or statute affecting this Agreement.

9. Termination of Any Applicable Existing Agreement. From and after the date when service commences under this Agreement, this Agreement shall supersede any oral and/or written agreement or understanding between Utility and Customer concerning the service covered by this Agreement and any such agreement or understanding shall be deemed to be terminated as of the date service commences under this Agreement.

10. Force Majeure. For purposes of this Agreement, the term Force Majeure means any cause or event not reasonably within the control of the Party claiming Force Majeure, including, but not limited to, the following: acts of God, strikes, lockouts, or other industrial disturbances; acts of public enemies; orders or permits or the absence of the necessary orders or permits of any kind which have been properly applied for from the government of the United States, the State of Indiana, any political subdivision or municipal subdivision or any of their departments, agencies or officials, or any civil or military authority; unavailability of a fuel or resource used in connection with the generation of electricity; extraordinary delay in transportation; unforeseen soil conditions; equipment, material, supplies, labor or machinery shortages; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; stout's; floods; washouts; drought; arrest; war; civil disturbances; explosions; breakage or accident to machinery, transmission lines, pipes or canals; partial or entire failure of utilities; breach of contract by any supplier, contractor, subcontractor, laborer or materialman; sabotage; injunction; blight; famine; blockade; or quarantine. If either Party is rendered wholly or partly unable to perform its obligations under this Agreement because of Force Majeure, both Parties shall be excused from whatever obligations under this Agreement are affected by the Force Majeure (other than the obligation to pay money) and shall not be liable or responsible for any delay in the performance of, or the inability to perform, any such obligations for so long as the Force Majeure continues. The Party suffering an occurrence of Force Majeure shall, as soon as is reasonably possible after such occurrence, give the other Party written notice describing the particulars of the occurrence and shall use commercially reasonable efforts to remedy its inability to perform; provided, however, that the settlement of any strike, walkout, lockout or other labor dispute shall be entirely within the discretion of the Party involved in such labor dispute.

Section 11. Choice of Law. This Agreement and the rights and duties of the parties arising out of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Indiana without reference to the conflict of laws rules thereof. The parties hereby submit to the jurisdiction of the Courts of Wayne County, Indiana for purposes of all legal proceedings may arise under this Agreement. The parties hereto irrevocably waive, to the fullest extent permitted by Applicable Law, any objection which either may have or hereafter have to the personal jurisdiction of such court or the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in

an inconvenient forum. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OF THE PARTIES.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective as of the date first above written.

UTILITY

CUSTOMER

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title:

Title:

**Richmond Power and Light**

**Rate Schedule CG**  
**(COGENERATION RATE)**

**AVAILABILITY**

~~This rate is available to any customer connected to the municipally owned electric system of the City of Richmond, and contracting for parallel operation of a qualifying facility (“cogeneration or small power production facility”) in accordance with 170 IAC 4-4.1 and PSCI Cause No. 37494. In order to be entitled to this rate, however, the customer shall enter into a contract before operating any generating equipment electrically connected to the City’s electrical system. The contract is a three party contract between the Customer, the City of Richmond and the Indiana Municipal Power Agency, (Agency).~~

**RATE**

~~Under this contract, the Agency will purchase the electricity in accordance with the conditions and limitations of the contract at the following rates:~~

~~Demand Rate: \$2.359 per kilowatt (“KW”)~~

~~Energy Rate: \$0.016683 per kilowatt hour (“KWH”)~~

~~The above rates will be further subject to adjustments in accordance with 170 IAC 4-4.1-8 and 270 IAC 4-4.1-9.~~