

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

..title

AN ORDINANCE relating to the City Light Department; authorizing a large solar program for customers with solar photovoltaic systems sized larger than one hundred kilowatts and not greater than two megawatts.

..body

WHEREAS, solar technology is decreasing in cost, leading to growing customer interest in installing large solar arrays on commercial facilities; and

WHEREAS, solar energy is an integral piece of Seattle's Climate Action Plan, including the Living Building and 2030 Challenge Pilots; and

WHEREAS, customers with large solar photovoltaic (PV) systems do not qualify for net metering per SMC 21.49.082 and RCW 80.60.020; and

WHEREAS, the City Light Department of The City of Seattle (City Light) would like to offer a policy path to customers wishing to install large PV arrays; and

WHEREAS, similar to its approach to energy efficiency programs, City Light seeks to encourage customers to install PV systems sized to offset their building's own use, thereby minimizing financial impacts for other customers; and

WHEREAS, City Light seeks to compensate customers exporting electricity to the grid at a fair value based on the aggregate benefits this electricity provides to all customers; and

WHEREAS, City Light has general authority to enter into agreements for the acquisition of energy NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. A new Section 21.49.083 is added to the Seattle Municipal Code as follows:

**21.49.083 Large Solar Program**

1           A.     The Large Solar Program shall be open to customers operating solar photovoltaic  
2 (PV) arrays sized larger than one hundred kilowatts and not greater than two megawatts. To be  
3 eligible for the program, a PV array must be connected to a customer premises located within the  
4 Department's service territory and be equipped with a two-way advanced meter capable of  
5 measuring both consumption and outbound power exports.

6           B.     To participate, customers must enter into an interconnection agreement with the  
7 Department and to comply with all its terms. The Department may adopt any interconnection  
8 requirements as necessary to protect public safety and system reliability.

9           C.     Large solar program customers shall be metered, billed, and credited according to  
10 the following provisions:

11           1.     The customer's two-way advanced meter will measure accumulated kilowatt  
12 hours of inbound retail consumption and outbound exported power.

13           2.     Any electricity produced by the customer's solar PV array may be used to reduce  
14 inbound retail electricity consumption at the customer's rate schedule for electric service.

15           3.     Electricity generated in excess of that consumed by the customer may be exported  
16 to the Department's system. Accumulated kilowatt-hours of exported electricity shall be  
17 measured by the advanced meter and the customer will be credited for exported electricity  
18 according to the large customer solar export rate, which reflects the value of the power and grid  
19 benefits. The rate may be updated over time, but will initially be set as the following:

20 **Large Customer Solar Export Rate**

21

	Effective April 1, 2019	Effective January 1, 2020
Export Credit cents per kWh	<u>23.57-51</u>	<u>23.30-16</u>

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2 4. The customer shall retain ownership of all environmental, social, and other non-  
3 power attributes of the electricity produced by their PV system, irrespective of whether it is  
4 consumed on-site or exported.

5 5. Customers totalizing multiple meters per Section 21.49.090 may integrate their  
6 PV array into their totalized service. Otherwise, meter aggregation across multiple customer  
7 premises shall not be permitted.

8 6. Customers that permit and complete buildings under the terms of the Living  
9 Building Pilot outlined in SMC 23.40.060, or receive Living Building Challenge certification for  
10 a building within City Light service areas outside of the City of Seattle before December 31,  
11 2025 will receive annual net metering as described in SMC 21.49.082. The maximum solar array  
12 allowed under this provision is 250 kW. Affordable housing performing under high energy  
13 efficiency standards can be considered for a higher net metered threshold on a case by case basis.

14 ~~D7.~~ The program will remain open for eligible customers ~~on a pilot basis~~ until at least  
15 December 31, 2021. Until December 31, 2035, the Department will honor the terms of the large  
16 solar program for interconnected participants and guarantee an annual export rate of at least 1.8  
17 cents per kWh.

18 Section 2. City Light shall provide a yearly evaluation and report on program  
19 performance to City Council by August 31, 2020 and August 31, 2021. The reports shall be  
20 submitted in writing to the member of the Housing, Health, Energy, and Workers' Rights  
21 committee, or successor committee, The August 31, 2020 report shall include preliminary

1 recommendations for any program modifications to continue the program beyond December 31,  
2 2021. The August 31, 2021 report shall include final recommendations.

3 Section 3. City Light shall convene labor, housing, energy and environmental advocacy,  
4 and industry stakeholders to participate in the evaluation of the program and development of  
5 recommendations described in Section 2 of this Ordinance. City Light shall engage the  
6 stakeholders to consider and evaluate:

7 A. Ways to advance labor standards through the program.

8 B. Impacts to housing affordability and participation of affordable housing providers in  
9 the program.

10 C. Alignment of the program with Seattle's climate goals.

11 D. Impacts of new technology or emerging policy changes that affect the program.

12 E. Applicability of other green building certifications as eligibility for net-metering.

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Section 42. This ordinance shall take effect and be in force 60 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2019,  
and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)