

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 100 kilowatts and not greater than two megawatts; and adding a new Section 21.49.083 to the Seattle Municipal Code.

..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 ~~SMCSeattle Municipal Code Section~~ 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; ~~andNOW,~~

~~THEREFORE,~~

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:

1 **21.49.083 Large Solar Programs~~solar program~~**

2 A. ____-The Large Solar Program~~large solar program~~ shall be open to customers
3 operating solar photovoltaic (PV) arrays sized larger than one hundred kilowatts~~100 kW~~ and not
4 greater than two megawatts, measured as alternating current (AC)~~2 MW~~. To be eligible for the
5 program, a PV array must be connected to a customer premises located within the Department's
6 service territory and be equipped with a two-way advanced meter capable of measuring both
7 consumption and outbound power exports.

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

11 C. ____-Large solar program customers shall be metered, billed, and credited according to
12 the following provisions:

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

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

17 3. ____-Electricity generated in excess of that consumed by the customer may be
18 exported to the Department's system. Accumulated kilowatt-hours~~kWh~~ of exported electricity
19 shall be measured by the advanced meter and each~~the~~ customer will be credited for exported
20 electricity according to the same Large Customer Solar Export Rate~~large customer solar export~~
21 rate, which reflects the value of the power and grid benefits. The rate for all customers will be
22 the same according to the effective date provided in Section 21.49.083, regardless of the

1 beginning date of the interconnection agreement between the Department and the customer and
2 may be updated over time, but will initially be set as the following:

3 **Large Customer Solar Export Rate**

4

	Effective April 1, 2019	Effective January 1, 2020
Export Credit cents per kWh	<u>3.512.57</u>	<u>3.162.30</u>

5
6 4. ____ The customer shall retain ownership of all environmental, social, and other non-
7 power attributes of the electricity produced by their PV system, irrespective of whether it is
8 consumed on-site or exported.

9 5. ____ Customers totalizing multiple meters ~~per~~ under Section 21.49.090 may integrate
10 their PV array into their totalized service. Otherwise, meter aggregation across multiple customer
11 premises shall not be permitted.

12 6. ____ Customers that permit and complete buildings under the terms of the Living
13 Building Pilot outlined in SMC 23.40.060, or receive Living Building Challenge certification for
14 a building within City Light service areas outside of the City of Seattle before December 31,
15 2025 will receive annual net metering as described in SMC 21.49.082. The maximum solar array
16 allowed under this provision is 250 kW. Affordable housing performing under high energy
17 efficiency standards can be considered for a higher net metered threshold on a case by case basis.

18 7. ____ ~~D.~~ The program will remain open for eligible customers ~~on a pilot basis~~ until at
19 least December 31, 2021. Until ~~December~~ Dec 31, 2035, the Department will honor the terms of
20 the large solar program for interconnected participants and guarantee an annual export rate of at
21 least 1.8 cents per kWh.

1 Section 2. City Light shall provide a yearly evaluation and report on program
2 performance to City Council by August 31, 2020 and August 31, 2021. The reports shall be
3 submitted in writing to the member of the Housing, Health, Energy, and Workers' Rights
4 committee, or successor committee. The August 31, 2020 report shall include preliminary
5 recommendations for any program modifications to continue the program beyond December 31,
6 2021. The August 31, 2021 report shall include final recommendations.

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

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

12 B. Impacts to housing affordability and participation of affordable housing providers in
13 the program.

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

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

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

1 ~~Section 4.~~Section 2. This ordinance shall take effect and be in force 60 days after its
2 approval by the Mayor, but if not approved and returned by the Mayor within ten days after
3 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2019,
5 and signed by me in open session in authentication of its passage this _____ day of
6 _____, 2019.

7 _____
8 President _____ of the City Council

9 Approved by me this _____ day of _____, 2019.

10 _____
11 Jenny A. Durkan, Mayor

12 Filed by me this _____ day of _____, 2019.

13 _____
14 Monica Martinez Simmons, City Clerk

15 (Seal)