

CITY OF SASKATOON ADMINISTRATIVE POLICY

NUMBER A07-022

POLICY TITLE <i>Power Producer Policy</i>	ADOPTED BY: <i>City Council</i>	EFFECTIVE DATE <i>October 9, 2007</i>
		UPDATED TO <i>April 1, 2016</i>
ORIGIN/AUTHORITY <i>Administration and Finance Committee Report No. 13-2007; and Item 8.4.2 of Standing Policy Committee on Environment, Utilities and Corporate Services Report – June 22, 2015; and Leadership Team Decision – February 3, 2016</i>	CITY FILE NO. <i>File No. CK. 2000-1</i>	PAGE NUMBER <i>1 of 8</i>

1. PURPOSE

The purpose of this policy is to provide a standardized method of pricing and interconnection of eligible projects to generate electrical power and operate in parallel with Saskatoon Light & Power’s electrical distribution system.

2. DEFINITIONS

- 2.1 Behind-The-Meter - The customer’s owned electrical system, located on customer’s premises and on the customer’s side of the Point of Common Coupling.
- 2.2 Distributed Generation - Electrical power generation facilities connected to the Distribution System.
- 2.3 Distributed Generation System - The aggregate of the Distributed Generation electrical energy generator, inverter(s), control system(s), sensing device(s), or function(s), and protection devices and functions located Behind-The-Meter.
- 2.4 Distribution System – Saskatoon Light & Power’s system for distributing electrical energy, through the use of transmission lines, substations, and distribution lines. It is Saskatoon Light & Power’s side of the Point of Common Coupling.
- 2.5 Downtown 347/600 Volt Network Service Area - The downtown electrical distribution system.

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- 2.6 Electrical Service Requirements - Applicable electrical service requirements found in the *City of Saskatoon Electrical Equipment Bylaw (3655)*, and *Saskatoon Light & Power Customer Information Guide*.
- 2.7 Emissions Credits – Carbon Credits, Carbon Offsets or Greenhouse Gas Reduction credits, as defined by the province of Saskatchewan’s *Provincial Climate Change Plan* and the *Saskatchewan Climate Change Regulations*.
- 2.8 Environmentally Preferred Technology - An electrical energy generation technology whose sources of energy are constantly renewed by natural processes, such as water power, solar energy, wind energy, geothermal energy, wood residue energy, and energy from organic municipal waste; or that can demonstrate significant GHG emission reductions over conventional sources, such as combined heat and power where all the heat can be demonstrated to be used for another purpose.
- 2.9 Interconnection - The result of the process of electrically connecting a Distributed Generation System in parallel with the Distribution System.
- 2.10 Net Energy - The difference between the electrical energy supplied from Saskatoon Light & Power (Distribution System) to the customer and the electrical energy delivered from the customer to the Distribution System.
- 2.11 Point of Common Coupling - The point at which the Distribution System and the customer interface occurs. The customer interface occurs, as defined in the *Saskatoon Light & Power Customer Information Guide*, as the service mast for an overhead service, and the meter box for an underground service.
- 2.12 Rate or Rate Class - The electrical service rate under which the customer receives electrical service set in the *City of Saskatoon Electric Light and Power Bylaw (2685)*.
- 2.13 Self-Generation Programs - The two programs offered by Saskatoon Light & Power for the Power Producer Policy, which are the Net Metering Program, and the Small Power Producer Program.

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3. POLICY

This policy applies to the installation of Distributed Generation Systems interconnected to the Distribution System.

The intent of this policy is to provide the metering and billing practices to be applied through the Self-Generation Programs, which allow for the flow of electrical energy both to and from the customer through a single, bi-directional meter, for customers to be able to generate electrical energy from an Environmentally Preferred Technology.

- 3.1 Eligibility - Participation is available to all Saskatoon Light & Power customers where possible and with the exception in the Downtown 347/600 Volt Network Service Area. The customer may participate in either program which they qualify, and may only participate in one program.
- 3.2 Requirements - Participation in the Self-Generation Programs requires that:
- a) The customer has a metered service with Saskatoon Light & Power.
 - b) The customer has no outstanding bills on account.
 - c) The Distributed Generation System produces electrical energy from an Environmentally Preferred Technology.
 - d) The Distributed Generation System has a capacity equal to or less than 100 kilowatts (kW) per service.
 - e) The Distributed Generation System meets the requirements as specified in the *Saskatoon Light & Power Interconnection Guideline*, to provide a safe, effective and operationally functional interconnected system.

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- f) The Distributed Generation System meets all requirements of the Saskatoon Light & Power's Electrical Service Requirements, as well as all applicable Saskatchewan Electrical Codes and provincial requirements.
- g) The Distributed Generation System supplies electrical power at the same voltage level to which it is connected.
- h) The customer grants any Emissions Credits to Saskatoon Light & Power.

4. NET METERING PROGRAM

This program is available to all customers that install a Distributed Generation System for the purpose of producing electrical energy for their own use and delivering excess generated electrical energy to the Distribution System. The delivered electrical energy is used as a billing credit against electrical energy delivered from Saskatoon Light & Power to the customer.

4.1 Net Metering Rate

Electrical energy delivered by the customer to the Distribution System is valued at the same rate as the customer's electrical energy Rate. Electrical energy delivered by the customer cannot be transferred to another account, and customer accounts that close or have their account closed forfeit any Net Energy credit.

4.2 Net Metering Billing - The customer's bill is determined as follows:

- a) The Net Metering Program cycle runs from April 1st to March 31st of each calendar year.

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- b) At the end of each billing period, the City of Saskatoon will determine the Net Energy applicable for that billing period as follows:

Net Energy = (electrical energy supplied from Saskatoon Light & Power to the customer) – (electrical energy delivered from the customer to the Distribution System) – (Net Energy credit carried over from previous month's).

If the calculation above results in a positive value, the City of Saskatoon will bill the customer for the Net Energy consumed by the customer during the billing period.

If the calculation above results in a negative value, the City of Saskatoon will credit the Net Energy amount to the customer's account, and will bill the customer only for the Service Charge and Demand Charge (if applicable).

- c) On March 31st of each year, the City of Saskatoon calculates the Net Energy in the same manner as above, except that:
- i. If any Net Energy credit remains, the credit is forfeited to the City of Saskatoon and the credit reverts to zero (i.e. the customer cannot carry Net Energy credit to the following year. Each yearly cycle starts with zero Net Energy credit).
- d) The procedures set forth above apply in each succeeding year for so long as the customer continues to take service. If service is terminated, any Net Energy credit is forfeited to The City of Saskatoon.

5. SMALL POWER PRODUCER PROGRAM

This program is available to all metered service customers that install a Distributed Generation System for the purpose of producing electrical energy for their own use and selling any excess energy to Saskatoon Light & Power, or for the sole purpose of selling electrical energy to Saskatoon Light & Power.

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5.1 Small Power Producer's Rate

The City of Saskatoon purchases all electrical energy generated and delivered to the Distribution System at the rate set in the *City of Saskatoon Electric Light and Power Bylaw (2685)*.

5.2 Small Power Payment

Four times a year (June 30th, September 30th, and December 31st, and March 31st) the customer receives payment in the form of a cheque for all delivered electrical energy to the Distribution System.

6. RESPONSIBILITIES

6.1 Customer Responsibilities

- a) The customer is required to submit a completed and signed application form titled "Application for Generation Interconnection" to Saskatoon Light & Power.
- b) The customer is responsible for all associated costs and permit requirements, as levied by SaskPower Electrical Inspections.
- c) If Distribution System upgrades are required the customer is responsible for all costs. The City of Saskatoon will make no investment towards any of the costs associated with Interconnection of a customer's Distributed Generation System. (Saskatoon Light & Power will notify the customer in writing at the application stage of all costs.)
- d) The customer is responsible for the cost of a Saskatoon Light & Power interconnection study (if required), and a witness verification test.

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- e) In the case where a new or different meter is required to record energy flow in both directions, such as on all commercial buildings, Saskatoon Light & Power will provide and install the meter at the expense of the customer. (Saskatoon Light & Power will notify the customer in writing at the application stage of all costs.)
- f) The customer is required to enter into an operating agreement, titled "Interconnection Operating Agreement" with Saskatoon Light & Power.
- g) The customer is required to adhere to the operation and maintenance requirements in the Interconnection Operating Agreement.

6.2 Saskatoon Light and Power Responsibilities

- a) Saskatoon Light & Power representative reviews a customer's completed application. Saskatoon Light & Power notifies the customer in writing of approval of their application or any required studies or modifications to the application prior to approval. The notification includes a list of all costs from Saskatoon Light & Power associated with their application.
- b) Saskatoon Light & Power will allow all electrical energy generated by a Self-Generation Program customer to be delivered to the Distribution System where possible and with the exception in the Downtown 347/600 Volt Network Service Area.
- c) If necessary, at the customer's request and expense, S Saskatoon Light & Power can extend and/or upgrade its electrical system, to allow for the Interconnection of the customer's Distributed Generation System. (Saskatoon Light & Power will notify the customer in writing at the application stage of all costs.)
- d) Saskatoon Light & Power will provide and install a meter to record the electrical energy flow in both directions if the existing customer meter is not already equipped to do so.

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- e) Saskatoon Light & Power will attend a witness verification test on the customer's Distribution Generation System once SaskPower Electrical Inspectors have applied a "Non-Utility Generation" sticker to the electrical meter.
- f) Saskatoon Light & Power will notify the customer in writing of the results of the witness verification test. If the Distribution Generation System passes the witness verification test, Saskatoon Light & Power may provide the customer with an operating agreement. The operating agreement outlines the operation and maintenance requirements of the customer.

6.3 General Manager, Transportation and Utilities

The General Manager, Transportation and Utilities is responsible for administering this policy and recommending updates to this policy.