



RIDER ERG ELIGIBLE RENEWABLE GENERATION

(Applied in Conjunction with the Standard General Service Rate Schedules for Residential, Commercial, and Municipal Service)

PURPOSE

The Eligible Renewable Generation (ERG) program is the successor to the Net Energy Metering (NEM) program.

The purpose of this Rider is to establish methods for charging and crediting on customer billing for eligible renewable generation once Alameda Municipal Power (AMP) has reached the 5 percent NEM capacity value legislated by paragraph (4) of subdivision (c) of Section 2827 of the Public Utilities Code, or prior to that time if the ERG program is selected by the customer instead of the NEM program. For AMP, the NEM capacity value has been fixed by the Public Utilities Board at 3.6 Megawatts (MW).

The Rider for Eligible Renewable Generation (Rider ERG) defines parameters of the ERG program and billing methods for charging and crediting ERG customers, such that non-participating customers are indifferent to the cost-of-service associated with ERG installations.

APPLICABILITY

This schedule is applicable to service for residential, commercial, and municipal customers with an Eligible Renewable Generation Facility (Eligible Facility), pursuant to Section 2827(b) of the California Public Utilities Code and defined as those customers where part or all of their electrical requirements can be supplied from an Eligible Facility. Customers must currently be receiving service (or be eligible for service) under AMP's residential rate schedules D-1 or D-2, commercial rate schedules A-1, A-2, A-3, or CT, or municipal rate schedules M-1, M-2 or M-3.

The Eligible Facility must: 1) be located at the ERG customer's service location, 2) be connected for parallel operation with AMP's distribution facilities, and 3) be intended for the sole purpose of offsetting a part or all of the ERG customer's own electrical requirements. In no case shall the power or energy generated by the Eligible Facility be available for resale, except as specified under this Rider.

After December 31, 2016, and before AMP has reached the 3.6 MW of net metering capacity as specified by law, a customer may elect to be served under Rider ERG by selecting the option box on the ERG Application form. If the customer doesn't select the Rider ERG option, then the NEM Rider option will be assumed until the NEM program is fully subscribed. After AMP has reached the 3.6 MW net metering capacity, Rider NEM will no longer be offered. At that time, all future customer-generators shall be served under Rider ERG.

ELECTRIC RATE SCHEDULES



RATES

Rider ERG shall calculate bill charges and credits as follows:

A. Customer charges, demand charges, and other fees:

The applicable customer charges, demand charges, and other fees shall be billed monthly on the ERG customer's standard Residential, Commercial, or Municipal rate schedule.

B. Energy delivered to the ERG customer:

The energy delivered to the ERG customer from AMP will be measured by the "Delivered" register on the energy meter. The monthly kWh delivered electricity shall be billed monthly on the ERG customer's standard Residential, Commercial, or Municipal rate schedule.

C. Energy received from the ERG customer:

The renewable generation received by AMP from the ERG customer will be measured by the "Received" register on the energy meter. The monthly kWh received shall be credited on the ERG customer's monthly bill as an Eligible Renewable Generation Credit (ERG Credit).

D. Net Bill Credit (If Applicable):

If there is a total net bill credit in any month, that credit will be carried to the next month's bill.

E. ERG Credit:

Energy received by AMP from the ERG customer will be credited on the ERG customer's bill at the avoided cost of procuring renewable energy for the previous fiscal year. The ERG credit will be recalculated each year for the following fiscal year. As AMP purchases excess renewable energy from the ERG customer, AMP shall acquire any and all renewable attributes associated with the renewable generation including its avoided emission of pollutants and greenhouse gases, the reporting rights for these avoided emissions, RECs, e-tags, etc. from the customer-generator.

The values taken into account in calculating the ERG Credit are:

- a. **Avoided Energy** –the prior average 12 months rate per kWh from the California Independent System Operator (CAISO) NP15 trading hub adjusted for the hours when solar systems are generating in Alameda;
- b. **Avoided Transmission Cost** – the current CAISO transmission access charge (TAC) that is applicable during the fiscal year;
- c. **Renewable Attribute Value** – the average value of renewable energy credits (REC) for California from Platt's REC report for the fiscal year;
- d. **Avoided Transmission Losses** - the prior average 12 months rate per kWh from the CAISO for transmission losses; and
- e. **Avoided Capacity Value** – the capacity cost of complying with CASIO's requirement to provide sufficient local capacity.

ELECTRIC RATE SCHEDULES



**ALAMEDA
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A Department of the City of Alameda

- f. **ERG credit for Fiscal Year 2017** is calculated as follows and results in \$0.0700 per kWh.

<u>Current value per kWh for the ERG Credit is:</u>	
Energy	\$0.0300
Transmission	\$0.0180
REC Value	\$0.0140
Losses	\$0.0022
Capacity	\$0.0058
Current Total ERG Credit = \$0.0700 per kWh	

- g. **ERG customers that receive greater than \$400 in excess generation compensation** via billing credits may be issued a Form 1099 at the end of the calendar year and may be subject to taxes on the revenue for the excess generation. AMP advises these customers to consult with a tax advisor for more information on IRS reporting and tax guidelines.

F. Generation utilized on-site by the ERG customer:

The Eligible Facility generation utilized on-site by the ERG customer will not be measured, charged, or credited by AMP.

DEFINITIONS AND SPECIAL CONDITIONS

1. INTERCONNECTION AGREEMENT

A signed ERG INTERCONNECTION AGREEMENT For Residential, Commercial or Municipal Eligible Renewable Electrical Generation Facilities, or ERG INTERCONNECTION AGREEMENT FOR FEDERAL AGENCIES For Residential or Commercial Eligible Renewable Electrical Generation Facilities, by the ERG customer and AMP is required for service under this Rider.

The interconnection application fee(s) shall be:

- \$330 for residential installations,
- \$660 for commercial and multi-family installations up to 50 kilowatts (kW), and
- \$1,100 for installations greater than 50 kW

2. PARTIAL REQUIREMENTS PROVIDER

The ERG customer agrees to take all supplemental electric service (i.e. supplemental to power from the qualifying solar or wind generation) from AMP. In no event shall the ERG customer use additional self-generation (except emergency backup), co-generation, or electricity wheeled from any other source without the express written consent of AMP.

3. BILLING PERIOD

The meters will be read on the customary incremental period of the AMI meter and the results of the readings shall be accumulated for the monthly billing period.

4. RULES and REGULATIONS

Other conditions, as specified in AMP's Rules and Regulations, shall apply to this rate schedule.

ADOPTED: November 21, 2016
RESOLUTION NO. XXXX
Effective: December 31, 2016

AGENDA ITEM NO: 5.A
MEETING DATE: 11/21/2016
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