

Chapter 13.06 Distributed Generation Program

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Chapter 13.06.010 Purpose and Scope

The purpose of this program is to establish rules for determining the terms and conditions governing the interconnection of electric generation facilities with a nameplate generating capacity of not more than 10 kilowatts for Residential and 25 kilowatts for Commercial to the electric system of Payson City

Chapter 13.06.020 Definitions

“Applicant” means a customer of Payson Power and Light that desires to become a Generator operating a Generating Facility installed in Payson City’s electric service territory.

“Electric system” means all electrical wires, equipment, and other facilities owned or provided by the utility that are used to transmit electricity to customers.

“Generating facility” means a source of electricity owned by the applicant or generator that is located on the applicant’s side of the point of common coupling, and all facilities ancillary and appurtenant thereto, including interconnection facilities, which the applicant requests to interconnect to the utility’s electric system.

“Generator” means the entity that owns and/or operates the generating facility interconnected to the utility’s electric system.

“Interconnection” means the physical connection of a generating facility to the electric system so that parallel operation may occur.

“Interconnection agreement” means the standardized terms and conditions that govern the interconnection of generating facilities pursuant to these rules. The model interconnection agreement may be modified to accommodate terms and conditions specific to individual interconnections, subject to the conditions set forth in these rules.

“Interconnection facilities” means the electrical wires, switches and other equipment used to interconnect a generating facility to the electric system.

“Net metering” means measuring the difference between the electricity supplied by the utility and the electricity generated by a generating facility that is fed back to the utility over the applicable billing period.

“Parallel operation” or “operating in parallel” means the synchronous operation of a generating facility while interconnected with the utility’s electric system.

“Utility” means Payson City that owns and operates the electrical distribution system, or the electrical distribution system itself, onto which the applicant seeks to interconnect a generating facility.

Chapter 13.06.030 Technical Standards for Interconnection

1 General interconnection requirements.

(a) The generator shall comply with the requirements in subsection (a)(i), (a)(ii), and (a)(iii). However, at its sole discretion, the utility may approve alternatives that satisfy the intent of, and/or may excuse compliance with, any specific elements of these requirements.

(i) Code and Standards. Applicant shall conform to all applicable codes and standards for safe and reliable operation. Among these are the National Electric Code (NEC), National Electric Safety Code (NESC), the Institute of Electrical and Electronic Engineers (IEEE), American National Standard Institute (ANSI), and Underwriters Laboratories (UL) standards, and local, state and federal building codes. The generator shall be responsible to obtain all applicable permit(s) for the equipment installations on its property.

(ii) Safety. All safety and operating procedures for joint use equipment shall be in compliance with the Occupational Safety and Health Administration (OSHA) Standard 29, CFR 1910.269, the NEC, Washington Administrative Code (WAC) rules, the Washington Industrial Safety and Health Administration (WISHA) Standard, and equipment manufacturer’s safety and operating manuals.

(iii) Power Quality. Installations will be in compliance with all applicable standards including IEEE Standard 519-1992 Harmonic Limits.

2 Specific interconnection requirements.

(a) Applicant shall furnish and install on applicant’s side of the meter, a UL- approved safety disconnect switch which shall be capable of fully disconnecting the applicant’s generating facility from the utility’s electric system. The disconnect switch shall be located adjacent to utility meters and shall be of the visible break type in a metal enclosure which can be secured by a padlock. The disconnect switch shall be accessible to utility personnel at all times.

(b) The requirement in subsection (2) (a) above may be waived by the utility if: (i) applicant provides interconnection equipment that applicant can demonstrate, to the satisfaction of the utility, performs physical disconnection of the generating equipment supply internally; and (ii) applicant agrees that its service may be disconnected entirely if generating equipment must be physically disconnected for any reason.

(c) The utility shall have the right to disconnect the generating facility at the disconnect switch under the following circumstances: when necessary to maintain safe electrical operating conditions; if the generating facility does not meet required standards; if the generating facility at any time adversely affects or endangers any person, the property of any person, the utility’s operation of its electric system or the quality of the utility’s service to other customers; or failure of the owner of record, as filed with the utility, to notify the utility

of a sale or transfer of the generator, interconnection facilities or the premises on which the generator is located.

(d) Nominal voltage and phase configuration of applicant's generating facility must be compatible to the utility system at the point of common coupling.

(e) Applicant must provide evidence that its generation will never result in reverse current flow through the utility's network protectors. All instances of interconnection to secondary spot distribution networks shall require review and written pre-approval by the utility. Interconnection to distribution secondary grid networks is not allowed. Closed transition transfer switches are not allowed in secondary network distribution systems.

3 Specifications applicable to all inverter-based interconnections. Any inverter-based generating facility desiring to interconnect with the utility's electric system or modify an existing interconnection must meet the technical specifications, in their most current approved version, as set forth below.

(a) IEEE Standard 1547-2003, Standard for Interconnecting Distributed Resources with Electric Power Systems.

(b) UL Standard 1741, Inverters, Converters, and Controllers for use in Independent Power systems, Equipment must be UL listed.

(c) IEEE Standard 929-2000, IEEE Recommended Practice for Utility Interface of Photovoltaic (PV) Systems.

4 Requirements applicable to all non-inverter-based interconnections. Non-inverter based interconnection requests may require more detailed review, testing, and approval by the utility, at applicant cost, of the equipment proposed to be installed to ensure compliance with applicable technical specifications, in their most current approved version, including:

(a) IEEE Standard 1547-2003, Standard for Interconnecting Distributed Resources with Electric Power Systems.

(b) ANSI Standard C37.90, IEEE Standard for Relays and Relay Systems Associated with Electric Power Apparatus.

(c) Applicants proposing such interconnection may also be required to submit a power factor mitigation plan for utility review and approval.

Chapter 13.05.040 Application for Interconnection

1 Application form. When an applicant requests interconnection from the utility, the applicant shall be responsible for conforming to the rules and regulations that are in effect. The applicant seeking to interconnect a generating facility under these rules must fill out and submit a signed application form. Information must be accurate, complete and approved by the utility prior to installing the generating facility.

2 Application fees. The utility requires a non-refundable interconnection application fee of \$100.00, with payment for the net meter.

3 Applicants are Customers. All Applicants must take delivery of energy from Payson City at their applicable power rate schedule. The City may review its rate schedules at any time including the purchase price of distributed generation.

4 Applicant limits. Applications will be accepted on a first –come, first served basis to the capacity limit of the circuit or the distribution system, as determined by the City. City may offer Customer the ability to pay for the cost to increase the circuit or distribution capacity limit to accommodate Customer request.

5 Application evaluation. All generating interconnection requests pursuant to this chapter will be reviewed by the utility for compliance with these rules. If the utility in its sole discretion find that the application does not comply with this chapter, the utility may reject the application. If the utility rejects the application, it shall provide the applicant with written notification stating its reasons for rejecting the application.

Chapter 13.05.050 Special Conditions

1 The customer shall pay for the net energy used in accordance with the following formula:

- (a) The customer shall pay for all electric energy used by the customer at the Residential rate. Energy supplied to the city by the customer from on the premises generation, which is fed back into the city’s electric distribution system will be paid at the feed in tariff rate. This true up will happen each billing cycle no banking of energy will be accepted.
- (b) Commercial installations will be handled the same way as Residential customer but will be billed under there applicable power rate.

2 The price for electric energy provided to, or credited to, a customer participating in the Distributed Generation Program shall be the price charged by the city under the provisions of the electric service schedule for which the customer receives service.

3 The Distributed Generation Program billing adjustment only applies to charges for energy. Participating customers are subject to all other charges, rates, terms and conditions of the electric service schedule under which the customer receives service except as expressly altered by this electric service Distributed Generation Program.

4 The customer will release to City all renewable energy credits (RECs), solar renewable-energy credits (S-RECs), or other renewable attributes as appropriate based on actual on-site electric generation from the Renewable Resource.

5 The customer shall be responsible for any damage caused by the customer-generating facility to the City’s distribution system and/or neighboring services. The customer shall be responsible for the installation and maintenance of applicable protection equipment, and for any damage caused by improper application, maintenance of faulty equipment.

6 Payson City shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net metering facility or for the acts or omissions of the customer-generator that cause loss or injury, including death, to any third party.