

ORDINANCE 17-11

WHEREAS, on January 6, 1994, the Hyrum City Council passed and posted an ordinance adopting the "Hyrum City Municipal Code", a recodification of municipal ordinances encompassing the "Revised Ordinances of Hyrum City" and ordinances adopted through July 15, 1993; and

WHEREAS, Title 13 of the Hyrum City Municipal Code sets forth regulations governing municipal utility services, including electrical power; and

WHEREAS, Chapter 13.16 is the Electrical Power System that gives the provisions for electrical code, systems, equipment, standards, and fees; and

WHEREAS, the Hyrum City Electrical Department had received numerous calls from citizens looking at alternate power sources, including generation of solar power from private residences; and

WHEREAS, the City has interest and sees a need for green power which solar power provides and it also promotes clean power; and

WHEREAS, the City Council has determined there is a need to amend Section 13.16.600 Feed-In Tariff Policy to allow Hyrum City's customers to enter into an agreements with solar developers for the installation of a solar system where the energy output will go directly to Hyrum City's utility grid and the owner will receive a financial credit towards his/her electric bill.

NOW, THEREFORE, the Hyrum City Council hereby adopts, passes, and publishes the following:

AN ORDINANCE AMENDING SECTION 13.16.600 FEED-IN TARIFF TO TITLE 16 OF THE HYRUM CITY MUNICIPAL CODE TO AMEND THE REQUIREMENTS AND CONDITIONS THAT ALLOW AN ELECTRIC UTILITY CUSTOMER TO INSTALL, MAINTAIN, AND GENERATE SOLAR POWER AND FOR HYRUM CITY TO PURCHASE THE SOLAR POWER.

BE IT ORDAINED by the City Council of Hyrum City, Cache County, State of Utah, as follows:

1. Section 13.16.600 of Title 13 of the Hyrum City

Municipal Code is hereby added as follows:

**13.16.600 Feed-In Tariff.**

The basis of the Hyrum City Solar Power Purchase Program ("S3P") is a fixed-price, 20-year Power Purchase Agreement (PPA) between Hyrum City Utility ("Utility") and Utility's retail customers for solar energy generation. The customer may enter agreements with solar developers for the installation of the system, which also may include financing, lease-purchase and rooftop property leasing.

The energy output of the solar system goes directly to Utility electric grid ("in front of the meter") and system owners are paid based on their PPA. The agreement does not alter the customer's electric bill. The PPAs also convey the Renewable Energy Credits (RECs)—the right to claim the renewable energy attributes of a project—to Utility to be used toward compliance with the Utah Renewable Energy Standard.

- A. Eligibility and Program Structure - Any premise served by Utility is eligible for this on-site solar program. Projects will be accepted in two classes:
  - 1. Class-1 Residential - installed capacity upto 10 kW ~~Small Projects, 1 to 100kW~~
  - 2. Class-2 Commercial - installed capacity upto
- B. Program Stipulations - Projects will be located on the premise of Utility's customers.
  - 1. ~~Solar photovoltaic (PV) systems range in size from 1 to 1,000 kilowatts (kW DC)~~
  - 2. ~~1,000 kW maximum aggregate capacity on any single parcel~~
  - 3. ~~2,000 kW maximum capacity for a single customer entity for multiple parcels and projects~~
  - 4. Grid interconnection "in front of the customer meter" (achieved by actual point of interconnection or billing adjustment)
- C. Payments are made for metered production:
  - 1. Two-tier, ~~20~~5-year, fixed-price standard offer:
    - (A.) Class-1 Residential, rate set by Resolution;
    - (B.) Class-2 Commercial, rate set by Resolution;
  - 2. Class-1 Residential projects must be

operational in 6 months from time of acceptance of the PPA, Class-2 Commercial projects must be operational in 12 months.

3. Utility retains RECs
- D. Applications will be accepted on a first-come, first-served basis up to the capacity limit of the circuit or the distribution system as determined by the Utility. Utility may offer customer the ability to pay for the cost to increase the circuit or distribution capacity limit.
- E. Insurance requirements are delineated in the Utility's Interconnection Standards.
- F. A complete submittal will include:
  1. Completed Application form and checklist
  2. Site/Facility layout diagram
  3. Facility one-line diagram
  4. Scanned copy of all pages requiring signatures
- G. An applicant must complete the following steps in order to remain qualified for the S3P before receiving any payment for energy produced:
  1. Submit a complete application with all required documents and payment for all applicable fees and deposits;
  2. Be accepted by Utility for assigned capacity and submit program application fee of (for a production meter and an engineer review plan) plus additional money per kW installed capacity (these rates and fees are set by resolution);
  3. Receive engineering approval of the project plan;
  4. Sign and execute the PPA;
  5. Meet payment obligations for any Utility's electrical distribution system upgrades that may be required to accommodate the PV system, if any;
  6. Satisfy all applicable permitting, building code, planning and land use requirements;
  7. Pass Utility's system inspection and be interconnected to the distribution system;
  8. Complete the project by the required completion date based on the time of signing of the PPA;
  9. Provide documentation of final system cost and capacity to Utility

10. Please see separate attachments at [www.hyrumcity.org](http://www.hyrumcity.org) under the heading "Solar Power Purchase Program":
- (A.) Application (Project Data, Site Control, and Project Team forms)
  - (B.) Draft Standard Offer Power Purchase Agreement
  - (C.) Draft Interconnection Agreement
  - (D.) Program Sequence Summary
  - (E.) Note: Sample agreements are subject to change. Please check the website for updates from time-to-time.

2. REPEALER. All ordinances, resolutions, and zoning maps of the city, or parts thereof inconsistent herewith, are hereby repealed, but only to the extent of such inconsistency. This repealer shall not be construed as reviving any law, order, resolution or ordinance or part thereof.

3. DECLARATION OF SEVERABILITY. Should any provision, clause, or paragraph of this ordinance or the application thereof to any person or circumstance be declared by a court of competent jurisdiction to be invalid, in whole or in part, such invalidity shall not affect the other provisions or applications of this ordinance or the Hyrum City Municipal Code to which these amendments apply. The valid part of any provision, clause, or paragraph of this ordinance shall be given independence from the invalid provisions or applications and to this end the parts, sections, and subsections of this ordinance, together with the regulations contained therein, are hereby declared to be severable.

4. EFFECTIVE DATE. This ordinance shall become effective upon posting three (3) copies in three (3) public places within Hyrum City.

5. ADOPTION. This ordinance is hereby adopted and passed by the Hyrum City Council this 3<sup>rd</sup> day of November, 2016.

HYRUM CITY

BY: \_\_\_\_\_  
Stephanie Miller  
Mayor

ATTEST:

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Stephanie Fricke  
City Recorder

Posted: