



## **Town of Culpeper Light & Power**

### **Residential Net Metering Policy**

#### **PURPOSE**

To establish a policy for Town Light & Power electric utility customers to install renewable energy generators (solar or wind) and allow for potential billing credits for any kwh generated that can offset billed consumption. This policy will ensure compliance with equipment standards, safety of utility workers and establishes guidelines for billing credits.

#### **AVAILABILITY OF SERVICE**

Available for new or existing residential customers who take standard service from the Town, own and operate an eligible renewable energy generator (i.e. solar) designed to operate in parallel with the Town's electric system and who request to connect to the Town's system. Net metering customers must take service under the Town's Residential Rate (Residential Schedule, or Schedule).

#### **CONDITIONS OF SERVICE**

1. For purpose of the Schedule, an eligible renewable energy generator is an electrical generating facility which complies with all of the following requirements.
  - a.) Has a capacity less than or equal to 10 kw.
  - b.) Uses solar or wind as its total energy source.
  - c.) Is owned and operated by the customer and is located on the customer's premises at the customer's service location.
  - d.) Is designed and installed to operate in parallel with the Town's electric system without adversely affecting the operation of equipment and service of the Town and its customers and without presenting safety hazards to Town and customer personnel.
  - e.) Is intended primarily to offset all or part of the customer's own electricity requirements.
  - f.) Is connected to the customer's wiring on the customer's side of its interconnection.
  - g.) A renewable energy generator shall not be permitted to interconnect to Town distribution facilities if, at the sole discretion of the Town, the interconnection would reasonably lead to damage to any of the Town's facilities or would reasonably lead to voltage regulation or power quality problems due to the incremental effect of the generator on the performance of the Town electrical distribution system, unless the customer requests the Town to modify the Town's facilities needed to accommodate the interconnection, and the customer reimburses the Town for its costs, as then determined by the Town at their sole discretion.
  - h.) The capacity of the renewable energy generator shall be less than the capacity of the Town-owned secondary entrance cable connected to the point of interconnection, unless the customer requests the Town to modify the Town's facilities needed to accommodate the interconnection, and the customer reimburses the Town for its costs, as then determined by the Town at their sole discretion.

i.) The renewable energy generator shall not have the ability to overload the Town's transformer, or any transformer winding, beyond manufacturer or nameplate ratings, unless the customer requests the Town to modify the Town's facilities needed to accommodate the interconnection, and the customer reimburses the Town for its costs, as then determined by the Town at their sole discretion.

j.) All net metering customers shall have installed a lockable, load-breaking, clearly-labeled manual disconnect switch at a suitable location, approved by the Town at their sole discretion, that allows the Town round-the-clock, unobstructed access to the switch and that can be easily located and operated by the Town. Unobstructed Town access to the switch must be maintained at all times, at the customer's expense.

2. Renewable energy generator equipment and installations shall comply with all applicable safety and performance standards of the National Electrical Code. The equipment and installation shall comply with UL 1741 and IEEE 1547 standards for grid-tie operation.

3. All Town Light & Power customers wanting to install a renewable energy generator to their property shall first contact the Town Planning and Zoning Department to provide connection details and submit the appropriate documents to obtain the necessary permits and approvals, and ensure compliance with any Town Ordinances and Codes. Customers will also be required to separately contact the Culpeper County Building Inspector's Office for compliance with any County Ordinances and Codes. The customer shall also pay any established application, permit and other fees as established by each jurisdiction.

4. All Town Light & Power customers wanting to install a renewable energy generator to their property should ensure compliance with any Home Owner Associations (HOA) standards that may apply. The Town does not monitor compliance with HOA standards.

5. The Town shall have the right to inspect and test the renewable energy generator equipment and installation prior to interconnection. The Town also reserves the right to conduct additional test and inspections and install additional equipment or meters at any time following interconnection. If such test(s) or inspection(s) indicates adverse effects on the Town's electric system, the customer shall be notified, and required to correct the problem in a timely manner. The customer may also be required to immediately disconnect the renewable energy generator equipment if the Town determines the adverse effects are severe enough to warrant the disconnection. If the customer does not comply with the above requirements, the Town reserves the right to disconnect the customer's electric service with all charges for disconnect and future reconnect being the responsibility of the customer.

6. The Town shall have the right to disconnect the customer's service in the event of a Town Light & Power system emergency and/or for scheduled maintenance activities. With the exception of emergencies or unscheduled outages, the Town will make all reasonable efforts to notify the customer in advance of disconnection.

7. The customer is solely responsible for all equipment and installation costs of the renewable energy generator facility. The Town shall not be liable for any damages to renewable energy generator facility equipment arising from the interconnection to the Town's distribution system including, but not limited to, lightning, outages, or voltage regulation.

8. The renewable energy generator facility equipment shall be installed by a licensed electrician who shall certify that all switches were properly installed, and that the equipment has been installed in accordance with the manufacturing specifications and all applicable laws. Such certification shall be submitted in writing to the Town as part of the approval process. The customer or the installing contractor shall notify Town Light & Power no fewer than five (5) business days in advance of final testing and inspection. Town Light & Power may, at its own expense, send qualified personnel to observe the testing and inspect the site.

9. Operation of the renewable energy generator facility shall not begin prior to the issuance of a Town permit indicating approval by the Town Light & Power Department that the equipment has been properly installed and meets Town Light & Power Department standards.

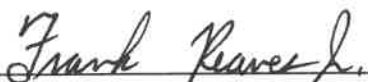
10. The customer shall provide proof at time of application, and maintain at all times a general liability insurance policy for personal and property damage in the amount of at least \$100,000. A standard residential homeowner's policy of at least this amount may meet this requirement.

11. The customer shall immediately notify the Town of any proposed modifications of the renewable energy generator facility by submitting a written notification in advance of any work being performed to the Town Light & Power Department and obtaining written approval for any changes. If the proposed changes will impact the Conditions of Service contained herein, a new permit application must be initiated with the Town Planning and Zoning Department.

### MONTHLY ELECTRIC UTILITY CHARGES

1. All monthly electric utility charges shall be in accordance with the standard rate schedule under which the customer takes service. Such charges shall be based on the customer's forward kwh consumption from the Town for each billing period.
2. For each billing period, the Town will record all reverse kwh from the customer to the Town. The Town will calculate a credit to the customer for reverse kwh at the rate established by Town Council Resolution which establishes electric rates. This rate is expected to be lower than the standard billing rate for forward consumption, to cover Town costs of operating the Town electric system. The credit for reverse kwh will be calculated such that no credit will be given for reverse kwh that exceeds forward kwh billed in any given monthly billing period. Credits will only be given for the kwh charges, and not for the base charge, fuel adjustment charge or taxes.
3. For each billing period, where a customer has reverse kwh in excess of forward kwh, the Town will calculate the value of the excess reverse kwh, using the same rate established by Town Council for reverse kwh credits stated in #2 above. The calculated value of the excess reverse kwh will be paid from the Electric Utility Fund to the Town Culpeper Cents program to support utility customers needing assistance to pay their Town utility bills (electric portion only).
4. The Town will apply credits to customer bills at least semi-annually, at the discretion of the Town Treasurer's Office.
5. Net metering shall only be allowed on the active electric utility account at the property at any time, and may not be carried over, transferred or allocated to any other account (i.e. landlord or property management company, where the active account is a tenant).
6. Customers will be required to install a specified electric meter as determined by the Town Light & Power Department in order to measure forward and reverse kwh consumption on the customer's account for billing purposes. The customer will be charged a fee for this meter as part of the initial application process, as stated in the standard rate schedule.

Approved by Town Council this 11th day of April, 2023.



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Frank Reaves Jr., Mayor  
Town of Culpeper, Virginia

Motion: Clancey

Second: Short

Votes:

Ayes: Brown, Clancey, Kalenga, Reaves, Rimeikis, Schmidt, Short, Taylor, Yowell

Nays: None

Absent from Vote: None

Absent from Meeting: None