

Proposal Concerning Modifications to LIPA's Tariff for Electric Service

Requested Action:

The Long Island Power Authority (the "Authority") staff proposes to revise the Tariff for Electric Service (the "Tariff") to expand the eligibility for compensation under the Authority's Value of Distributed Resources tariff to projects with a capacity between (2,000) kilowatts and five thousand (5,000) kilowatts in compliance with the New York Public Service Commission (the "Commission")'s *Order on Phase One Value of Distributed Energy Resources Project Size Cap and Related Matters*¹, issued and effective on February 22, 2018 (the "VDER Project Size Order").

Background:

On March 9, 2017, the Commission issued its *Order on Net Energy Metering Transition, Phase One of Value of Distributed Energy Resources, and Related Matters* (the "VDER Phase One Order"), which established the first phase of a plan to establish a new system for compensation of distributed energy resources based on the component values those resources provide to the electric grid (the "Value Stack"). On December 19, 2017, the Authority adopted Tariff changes implementing the VDER Phase One Order.

Eligibility for Value Stack compensation was initially limited in the VDER Phase One Order and the Authority's Tariff to projects sized up to 2,000 kilowatts. In an effort to continuously refine and improve VDER, the Department of Public Service ("DPS") Staff has held working group meetings with stakeholders on a number of different topics, including expanding the eligibility of VDER projects to those sized above 2,000 kilowatts and below 5,000 kilowatts. PSEG Long Island participated the working group meetings on behalf of the Authority. The Commission ultimately issued the Order expanding the eligibility for Value Stack compensation under VDER to include non-residential customers with solar, wind, farm waste, fuel cell, or micro-hydroelectric generating equipment with a rated capacity of greater than 2,000 kilowatts and not more than 5,000 kilowatts.

Proposal:

Consistent with the VDER Project Size Order, the Authority Staff proposes to expand eligibility for Value Stack compensation under the Value of Distributed Energy Resources tariff to include new and existing projects with a rated capacity between 2,000 and 5,000 kilowatts.

Financial Impacts:

The proposal will not have a material financial impact on the Authority because revenues lost from VDER are recovered through the Authority's Revenue Decoupling Mechanism. Depending on participation, the proposal could have an impact on non-participating customers. In 2017, the Authority has only received one Distributed Energy Project that was sized at the 2,000 kilowatt cap. Assuming that five projects applying for VDER compensation at the 2,000-kilowatt cap instead applied at the newly proposed 5,000-kilowatt cap – the estimated impact on non-participating customers would be \$1.6 million per year, which equates to an average customer bill impact of 0.04% per year.

Affected Tariff Leaves: 16, 18, 22, 24, 34A, 34A-1, 34E, 34J, 34O and 254.

Summary of Proposed Changes:

Update the tariff to increase the eligibility of Value Stack Compensation to generating projects from 2,000 to 5,000 kilowatts.

¹ Case 15-E-0751 et al., *In the Matter of the Value of Distributed Energy Resources* ("VDER Proceeding"), Order on Phase One Value of Distributed Energy Resources Project Size CAP and Related Matters (issued February 22, 2018).

I. General Information (continued):**B. Abbreviations and Definitions (continued):**

Demand Customer: A Customer who is billed for Demand charges.

Demand Meter: The device that records the maximum amount of power used by the Customer over a 15-minute interval during a specific period, such as a month.

Department: The New York State Department of Public Service.

Deposit: A sum of money given as security for payment of service.

Distribution Facilities: Facilities used to distribute electric energy to consumers, including supply lines, distribution lines, service laterals, and accessory equipment.

Distribution Line(s): A system of poles, wires, ducts, conduits, and additional equipment used for the shared distribution of electricity to Customers.

E

Easement: (See *Right-of-way*)

Eligible Net Metering Technologies: The list of eligible technologies is: Solar Electric Generating Equipment, Wind Electric Generating Equipment, Micro-Hydroelectric Generating Equipment, Micro-Combined Heat and Power (CHP) Generating Equipment, Fuel Cell Electric Generating Equipment, and Farm Waste Electric Generating Equipment. See definition of Solar Electric Generating Equipment, Wind Electric Generating Equipment, Micro-Hydroelectric Generating Equipment, Micro-Combined Heat and Power (CHP) Generating Equipment, Fuel Cell Electric Generating Equipment, and Farm Waste Electric Generating equipment for further details.

Energy: Energy is electric power, used or supplied over time, and measured in KWH.

Existing Overhead Areas: Areas in which electric distribution facilities are constructed overhead, and there are no requirements to construct facilities underground.

F

Farm Waste Electric Generating Equipment: Equipment that generates electric energy from biogas produced by anaerobic digestion of agricultural wastes, such as livestock manure, farming wastes and food processing wastes with a rated capacity of not more than ~~two thousand (2,000) kilowatts~~ **five thousand (5,000) kilowatts** that is manufactured, installed and operated by Customer-generator in accordance with applicable government and industry standards, connected to the electric system and operated in conjunction with the Authority's transmission and distribution facilities, operated in compliance with the Authority's standards and requirements established therefor, fueled at a minimum of ninety (90) percent on an annual basis by biogas produced from the anaerobic digestion of agricultural waste such as livestock manure materials, crop residues, and food processing waste, and fueled by biogas generated by anaerobic digestion with at least fifty (50) percent by weight of its feed stock being livestock manure on an annual basis.

Fuel Cell Electric Generating Equipment: A solid oxide, molten carbonate, proton exchange membrane or phosphoric acid fuel cell, with a combined rated capacity of not more than ten (10) kilowatts for a residential customer or with a rated capacity of not more than ~~two thousand (2,000)-five thousand (5,000)~~ **five thousand (5,000) kilowatts** for a non-residential customer, that is manufactured, installed and operated in accordance with applicable government and industry standards, that is connected to the electric system and operated in compliance with the Authority's standards and requirements established therefor. This definition, including the capacity limits specified herein, does not apply to fuel cells participating in the Fuel Cell Feed-in Tariff.

Fuel and Purchased Power Cost Adjustment Clause: See definition for Power Supply Charge.

Full-Requirements Customer: A Customer whose electric power requirements are all supplied by the Authority. (See *Customer – Full Requirements Customer*)

G

Generation Project: A specific project that is eligible to participate in the Commercial Solar or Fuel Cell Feed-In Tariff under Service Classification No. 11 – Buy-Back Service.

I. General Information (continued):**B. Abbreviations and Definitions (continued):**

Load: (See *Demand*)

Load Factor: The ratio of a Customer(s) average demand to peak demand during a specified period.

Location: Property with stated boundaries which is owned or occupied by a single legal entity.

M

Manager: PSEG Long Island LLC, the entity engaged by the Authority to operate, maintain, manage and act as agent for the Authority's system pursuant to the terms and conditions of the Operations Services Agreement. Nothing herein shall be read to change or modify Manager's duties and obligations or create any liability on the part of Manager beyond that set forth in the Operations Services Agreement.

Mass Market Customer(s): Residential or Small Commercial Service Classification that are not billed for demand.

Mass Market Project(s): Projects using an Eligible Net Metering Technologies owned by a Mass Market Customer(s).

Micro-Combined Heat and Power Generating Equipment: Any Residential customer with an integrated cogenerating building heating and electrical power generation system, operating on any fuel and any applicable engine, fuel cell, or other technology, with a rated capacity of at least one kilowatt and not more than ten (10) kilowatts electric and any thermal output that all full load has a design total fuel use efficiency in the production of heat and electricity of not less than eighty percent, and annually produces at least two thousand (2,000) kilowatt hours of useful energy in the form of electricity that may work in combination with supplemental, or parallel conventional heating system, that is manufactured, installed and operated in accordance with applicable government and industry standards operated in conjunction with the Authority's transmission and distribution facilities.

Micro-Hydroelectric Generating Equipment: A Hydroelectric system, with a rated capacity of not more than 25 kW for a residential customer or with a rated capacity of not more than **2,000-kW-five thousand (5,000) kilowatts** for a non-residential customer, that is manufactured, installed and operated in accordance with applicable government and industry standards, connected to the electric system and operated in conjunction with the Authority's transmission and distribution facilities.

Month: A Month in this document is defined as a 30-day period, and monthly rates for billing periods other than a Month are prorated.

Multi-phase: Producing, carrying, or powered by multiple alternating voltages, each of which reaches its highest level at different time intervals. (See *Alternating Voltage*)

Multiple-Occupancy or Multiple Dwelling Building: A building designed to contain three (3) or more individual residential units for permanent occupancy. Each unit should contain kitchen, bath, and sleeping areas. In some instances, the Tariff may differentiate between buildings that contain three or more units and those that contain four or more units.

N

Net Energy Metering: The use of a net energy meter to measure, during the billing period applicable to a Customer-generator, the net amount of electricity supplied by the Authority to the Customer-generator and/or the net amount of electricity provided by the Customer-generator to the Authority.

I. General Information (continued):**B. Abbreviations and Definitions (continued):**

Service Line or Lateral: A system of conductors and equipment for delivering electricity from the Authority's distribution system to the wiring system of a building or address.

Service Termination: The point at which the service line or lateral ends and the Customer connects with the wiring system.

Shared Meter: Any Authority meter that measures electric service provided to a tenant's dwelling and to areas outside that dwelling, and the tenant pays for all usage recorded on the meter.

Shared-Meter Customer: Any tenant who rents a dwelling with a shared meter from the owner of the dwelling, and the tenant, rather than the owner, is the Authority's Customer of record.

Short-Term or Temporary Customer - Non-Residential: (See *Customer - Short-Term or Temporary Customer*)

Short-Term or Temporary Customer - Residential: (See *Customer - Short-Term or Temporary Customer*)

Single-phase: Producing, carrying, or powered by a single alternating voltage. (See *Alternating Voltage*)

Solar Electric Generating Equipment: A photovoltaic system with a rated capacity of equal to or less than twenty five kilowatts (25 kW) for residential Customers or with a rated capacity equal to or less than ~~2,000 kilowatts~~ **five thousand (5,000) kilowatts** for Non-residential Customers which is manufactured, installed and operated in accordance with applicable government and industry standards, is connected to the Authority's electric system and operated in conjunction with the Authority's transmission and distribution facilities, and which is operated in compliance with the Authority's standards and requirements.

State Agency: Any board, authority, agency, department, commission, public corporation, body politic, or instrumentality of the State of New York.

Subdivision: (See *Residential Subdivision*)

Submetering: The redistribution of electric service to multiple meters not owned by the Authority.

Substantially Interconnected: Will be determined by reference to the PSEG-Long Island Smart Grid Small Generator Standardized Interconnection Procedures ("Smart Grid SGIP"). Systems in the Smart Grid SGIP Fast Track process will be considered substantially interconnected upon completion of Step 6 of the Fast Track process. Systems sized between 50 kW and 2,000 kW will be considered substantially interconnected upon completion of Step 7 of the Smart Grid SGIP. (Systems larger than 2,000 kW will continue to be ineligible for net metering.)

Supply Line: A part of a distribution line that is installed between an existing electric distribution system and an underground distribution line within an underground-designated area. (See *Underground-Designated Area*)

Surcharge: In connection with extension of distribution facilities, a monthly, bimonthly, or annual charge assessed Residential Customers over a period that does not exceed ten years and which recovers the cost of the distribution facilities Customers are directly responsible for.

I. General Information (continued):**C. Abbreviations and Definitions (continued):****Voltampere = VA**

The unit of measure of Apparent Power. (See *Power*) Multiplying the volts by the amperes in an electric circuit will result in the voltamperes.

W**Watt = W**

A unit of measurement of Real Electrical Power. (See *Power*)

Watt-hour = W-hr

The total amount of energy used in an electricity consuming device. Energy is measured as power used over time. For example, a device using one (1) watt-hour of energy is using the equivalent of one (1) watt of power over a period of one (1) hour.

Watt-hour Meter: The recording device that measures energy in watt-hours.

Wind Electric Generating Equipment: A wind generator or generators with the combined rated capacity of not more than twenty five kilowatts (25 kW) for a Residential Customer-generator, and not more than 500 kW for a Residential Farm Customer, and not more than **five thousand ~~2(5,000)-kW~~ kilowatts** for a Non-residential Customer which is manufactured, installed and operated in accordance with applicable government and industry standards, is connected to the electric system and operated in conjunction with the Authority's transmission and distribution facilities, and which is operated in compliance with the Authority's standards and requirements.

I. General Information (continued):**C. General Terms and Conditions (continued):**14. Net Meteringa) Residential Net Metering Requirements

- (1) A Residential Solar or Wind Customer-generator shall be net metered only if the rated capacity of the Solar or Wind Electric Generating Equipment is (1) equal to or less than twenty five (25) kilowatts and (2) equal to or less than 110% of the customer's last twelve months of load or customer provided load letter. If the rated capacity of the Solar or Wind Electric Generating Equipment owned and/or operated by the residential Customer-generator is (1) greater than twenty-five (25) kilowatts, or (2) greater than 110% of the customer's last twelve months of load or customer provided load letter, net metering shall not apply and Customer-generator may be served under Service Classification 11-Buy-Back service.
- (2) A Residential Farm Customer shall be net metered only if the rated capacity of the Solar Electric Generating Equipment is equal to or less than one hundred (100) kilowatts or the Wind Electric Generating Equipment is equal to or less than five hundred (500) kilowatts. If the rated capacity of the Solar Electric Generating Equipment is greater than one hundred (100) kilowatts or the Wind Electric Generating Equipment is greater than five hundred (500) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification 11-Buy-Back service.
- (3) A Residential Farm Waste Customer-generator shall be net metered only if the rated capacity of the Farm Waste Generating Equipment is equal to or less than ~~two-five~~ thousand (25,000) kilowatts. If the rated capacity of the Farm Waste Electric Generating Equipment owned and/or operated by the Customer-generator is greater than ~~two-five~~ thousand (25,000) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification 11-Buy-Back service.
- (4) A Residential Micro-Combined-Heat-and-Power (Micro-CHP) Customer-generator shall be net metered only if the rated capacity of the Micro-CHP generating equipment is at least one (1) kilowatt and less than or equal to ten (10) kilowatts. If the rated capacity of the Micro-CHP generating equipment owned and/or operated by the residential Customer-generator is greater than ten (10) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification 11-Buy Back service.
- (5) A Residential Fuel Cell Customer generator shall be net metered only if the rated capacity of the Fuel Cell Electric Generating Equipment is less than or equal to ten (10) kilowatts. If the rated capacity of the Fuel Cell Generating Equipment owned and/or operated by the residential Customer-generator is greater than ten (10) kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification 11-Buy Back service.

II. General Information (continued):**C. General Terms and Conditions (continued):
Net Metering (continued):**

- (6) A Residential Micro-Hydroelectric Customer-generator shall be net metered only if the rated capacity of the Micro-Hydroelectric generating equipment is equal to or less than twenty five (25) kilowatts. If the rated capacity of the Micro-Hydroelectric Generating Equipment owned and/or operated by the residential Customer-generator is greater than 25 kilowatts, net metering shall not apply and Customer-generator may be served under Service Classification 11-Buy-Back Service.
 - (7) A Residential Customer-generator that combines Solar Electric, Wind Electric, or Micro-Hydroelectric Generating Equipment in a hybrid system shall be net metered only if:
 - (a) The rated capacity of the combined system is equal to or less than twenty five (25) kilowatts, or five hundred (500) kilowatts if a Residential Farm Customer , and
 - (b) The solar portion of the installation meets the eligibility for Residential Solar Electric Generating Equipment and
 - (c) The wind portion of the installation meets the eligibility for Residential Customers or a Residential Farm Customer for the Wind Electric Generating Equipment and
 - (d) The micro-hydroelectric portion of the installation meets the eligibility for Residential Micro-Hydroelectric Generating Equipment.
- b) Non-Residential Net Metering Requirements

(1) A Non-residential Solar, or Wind, or Farm Waste, or Fuel Cell, or Micro-Hydroelectric Electric Customer-generator shall be net metered if the rated capacity of the Electric Generating Equipment is equal to or less than ~~25~~,000 kilowatts. If the rated capacity of the Solar or Wind or Farm Waste, or Fuel Cell, or Micro-Hydroelectric Electric Generating Equipment is greater than the limits specified herein, net metering shall not apply and the Customer-generator may be served under Service Classification 11-Buy-Back service.

~~(1)~~(2) Existing generators sized greater than 2,000 kilowatts and up to 5,000 kilowatts that meet the eligibility criteria above, and are not currently compensated under the Value Stack tariff shall be permitted to opt-in to participate in the VDER tariff and receive Value Stack Compensation.

I. General Information (continued):**C. General Terms and Conditions (continued):
Net Metering (continued):****d) Termination of the Interconnection Agreement**

The "Interconnection Agreement" between the Authority and Customer-generator may be terminated as follows:

- (1) The Customer-generator may terminate the Agreement at any time, by giving the Authority sixty (60) days' written notice;
- (2) If the Customer-generator fails to seek final acceptance by the Authority within twelve (12) months after completion of construction, then the Authority may terminate the Agreement on thirty (30) days prior written notice;
- (3) Either Party may, by giving the other Party at least sixty (60) days prior written notice, terminate this agreement in the event that the other Party is in default of any of the terms and conditions of the "Interconnection Agreement". The terminating Party shall specify in the notice the basis of the termination and shall provide a reasonable opportunity to correct the default;
- (4) The Authority may, by giving the Customer-generator at least sixty (60) days prior written notice, terminate this agreement for cause. The Customer-generator's non-compliance with the Authority's "Smart Grid Small Generator Interconnection Procedures" or non-compliance with the "Interconnection Agreement" shall constitute a good cause;
- (5) Unless the Interconnection Agreement is terminated pursuant to items (1) through (4) above, the net energy metering service will be provided for a term of ten years from the date of installation of service and thereafter will be automatically renewed for annual periods unless the Authority provides thirty days prior written notice of termination before the end of the term.

e) Net Billing Procedures for Eligible Customer-generators

- (1) Projects with Eligible Net Metering Technologies are subject to the billing procedures described in items (a) through (h) below when (1) Mass Market Projects have become Substantially Interconnected before January 1, 2018 or (2) Large Onsite Projects have submitted complete applications as per Step 3 of the Authority's "Smart Grid Small Generator Interconnection Procedures" before May 1, 2018 and are in service before January 1, 2020 **and whose rated capacity of the Electric Generating Equipment is equal to or less than 2,000 kilowatts:**
 - (a) In the event that the amount of electricity supplied by the Authority during the billing period exceeds the amount of electricity provided to the Authority by the Customer-generator, the Authority shall charge the Customer-generator for the net (excess) electricity it supplied to the Customer-generator at the same rate per kilowatt-hour applicable: (a) to service provided to other Customers in the same service class who do not generate electricity on site, and (b) to the month the energy was generated.

I. General Information (continued):**C. General Terms and Conditions (continued):****Remote Net Metering (continued):**

- a) The aggregate rated capacity of net-metered generating equipment of the Remote Net Metering Host Account(s) designated to serve a Satellite plus the rated capacity of net-metered generating equipment on the Remote Net Metered Satellite account, if any, cannot exceed two thousand (2,000) kilowatts for existing Net Metering or Phase One NEM. The aggregate rated capacity of generating equipment of the RNM Host Account(s) designated to serve an RNM Satellite Account plus the rated capacity of net-metered generating equipment on the RNM Satellite Account, if any, shall not exceed five thousand (5,000) kilowatts for the Value Stack Tariff.
 - b) If a Remote Net Metered Satellite account is also a net-metered Customer-generator, charges and credits will first be applied pursuant to section I.C.15.h. Remote Net Metering credits will then be applied pursuant to section I.C.16.b.4 & 5.
- (3) In the event that the amount of electric energy supplied by the Authority to the Host Account during the billing period exceeds the amount of electric energy provided by the Host account to the Authority during the same billing period, the Authority shall charge the Host account the rates provided in the Service Classifications applicable to the Host account Customer-generator for only the net amount of energy provided to the Host account, plus the amount of demand actually recorded in that billing month and other charges as applicable. The appropriate Service Classification for the Host account will be determined on the basis of the larger of the load at the Host account or the generation at the Host account.
- (4) In the event that the amount of electric energy provided by the Host account to the Authority in any billing period exceeds the amount of electric energy supplied by the Authority to the Host account during the same billing period, the Host account shall be regarded as having received no electric energy (kWh) during that billing period.
- a) Demand and other applicable charges will still apply to the Host account and the Satellite accounts. Host Accounts and Satellite accounts will be subject to applicable actual demand charges consumed in the billing period. The Authority will not adjust the demand charge to reflect demand ratchets or monthly demand minimums that might be applied to a standard tariff for net metering purposes.
 - b) If the Host account has excess on-site generation, the excess generation shall be converted to a monetary credit and applied as a direct credit to the host account's outstanding electric charges.
 - c) In the event that the excess on-site generation of the Host account as described in b) above exceeds all components of the host account's outstanding balance owed to the Authority, the remaining monetary credit will be allocated to the eligible designated Satellite accounts in the following manner:
 - (1) Any remaining monetary credit will be applied to the eligible designated Satellite accounts at the percentage designated by the Customer-generator and in the order that each subsequent Satellite account bills in the Authority's billing system. This process will continue through each day in the current and subsequent billing cycle until each Satellite account has been billed. The monetary credit applied to each Satellite account shall not exceed the Satellite account's charges for that billing period. Any allocated credits that exceed the amount that can be used by a Satellite account in that billing cycle will be returned to the Host account. If a Remote Net Metering Satellite account has more than one Remote Net Metering Host, it will receive credits

from the Remote Net Metering Host Accounts in the order in which the Host Accounts are billed.

I. General Information (continued):**C. General Terms and Conditions (continued):****Net Metering of Community Distributed Generation (continued):**

g) Projects with eligible Net Metering Technologies will receive credits calculated and applied as described in items (1) through (8) below when (1) Mass Market Projects have become Substantially Interconnected on or after January 1, 2018, ~~or~~ (2) Large Onsite Projects have submitted complete applications as per Step 3 of the Authority's "Smart Grid Small Generator Interconnection Procedures" on or after May 1, 2018 **or (3) Existing generators sized greater than two thousand (2,000) kilowatts to five thousand (5,000) kilowatts that meet the eligibility criteria and are not currently compensated under the Value Stack shall be permitted to opt-in to participation in the Value Stack compensation.**

- (1) The CDG Host account will be billed in accordance with the procedures used to calculate a bill for an individually net metered Customer, except that Excess Generation remaining after the bill has been calculated will be monetized based on a calculation described in Section 1.C.18.C - Value Stack Crediting then the Excess Generation will be allocated to Mass Market Customer Satellite accounts and the monetized Value Stack Crediting will be allocated to Large Onsite Customer Satellite accounts in accordance with the CDG Host's designated allocation requests. Any monetized value remaining after the allocation will remain with the CDG Host account as a bill credit to be allocated to the Satellite accounts in future billing periods.
- (2) For Mass Market Customer Satellite accounts, as each is billed, Excess Generation allocated to the Satellite account will be applied to the Mass Market Satellite account as if the Customer were individually net metered. For Mass Market Satellite accounts served under time-of-use rates, the Excess Generation will be further allocated to the rating periods applicable to the Mass Market Satellite account in proportion to the times, days and seasons when the Excess Generation was delivered to the Authority.
- (3) For Mass Market Customer Satellite account, if any allocated Excess Generation remains after application to the Satellite account, the remaining allocated Excess Generation shall be carried forward on the Mass Market Satellite's account as a volumetric (kWh) credit for future bill periods.
- (4) For Large Onsite Customer Satellite account, as each Large Onsite Satellite account is billed the monetized Value Stack Crediting will be allocated to that account.
- (5) For Large Onsite Customer Satellite account, if any bill credit remains on the Satellite account, the remaining bill credit shall be carried forward on the Large Onsite Satellite's account for future bill periods.
- (6) Annual Allocation Requests
Once a year, following the annual anniversary of the CDG Host, after the CDG Host and all CDG Satellite accounts have been billed and credits allocated in accordance with this Tariff, the Authority shall supply the CDG Host a calculation of any excess credits returned to the CDG Host and/or any unallocated excess credits remaining at the CDG Host. By the following anniversary date, the CDG Host must provide to the Authority an annual allocation request for distributing these excess credits to one or more of the CDG Satellite Accounts. No distribution shall be made if an allocation request is not received by the required date, and undistributed credits on the CDG Host shall be subject to forfeit.
- (7) The day following the twenty-fifth (25) anniversary of the in service date, projects still in operation and injecting energy onto the Authority's electric system, will be compensated under the tariff then in effect.

VIII. SERVICE CLASSIFICATIONS (continued):**O. SERVICE CLASSIFICATION NO. 11 - Buy-Back Service (continued):
(Rate Code: 289)****1. Feed-in Tariff for Solar Photovoltaic Renewable Resources**

- a) The Authority will offer to purchase specific amounts of solar photovoltaic power and all environmental attributes at a fixed price per kWh for a term of 20 years at a fixed price to meet its objectives for specific renewable resources. The terms of the offer are defined below.
- a) Generators must enter into a Feed-In Tariff Solar Power Purchase Agreement (the "PPA") and qualify under and satisfy all the requirements of the Small Generator Interconnection Procedures, including attachment at distribution voltages and with a minimum output of greater than 50 kW and maximum output of no more than 20,000 kW. Generators participating in the second installment of the Solar Feed-In Tariff (enrollment period commencing September 30, 2013 through September 30, 2015) must enter into a Feed-In Tariff Solar Power Purchase Agreement (the "PPA"), and satisfy all the requirements of the Small Generator Interconnection Procedures with a minimum output of greater than 100 kW and maximum output of ~~20~~25,000 kW.
- b) Generators that were interconnected to the Authority's system prior to July 1, 2012 are not eligible to participate.
- c) Generators that received a solar pioneer rebate, a solar entrepreneur program rebate or research and development funding from the Authority are not eligible to participate, regardless of whether the payment was made to the current Customer or a previous Customer at the same location.
- d) The eligible generator will be connected directly to the Authority's system with a dedicated stand-alone meter, and 100% of the output from the facility will be sold to the Authority pursuant to the PPA, including any beneficial attributes associated with renewable generation.
- e) The eligible generator will be responsible for all interconnection costs and other costs of developing, installing and maintaining the renewable generating resource, as specified in this Service Classification or elsewhere in the Tariff. The eligible Generator must meet all the requirements of the Small Generator Interconnection Procedures and maintain the PPA and an Interconnection Agreement with the Authority for the duration of their participation in the Purchase of Specific Resources.