

## CITY OF STURGIS

### DISTRIBUTED ENERGY RESOURCE RIDER DISTRIBUTED GENERATION PROGRAM

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#### **AVAILABILITY:**

This Rider can be attached to any metered tariff, excluding riders, unless otherwise noted on the applicable metered tariff.

The Distributed Generation Program is voluntary and available on a first come, first served basis for new customer participants or existing customer participants increasing their aggregate generation. The Distributed Generation Program size is equal to 1.0% of the City's peak load for Full-Service customers during the previous 5 calendar years.

#### **CHARACTER OF SERVICE:**

As specified under the applicable tariff.

#### **DISTRIBUTED GENERATION DEFINITIONS**

- (1) A Category 1 distributed generation customer has one or more Eligible Electric Generators with a maximum aggregate nameplate capacity of 20 kW DC that use equipment certified by a nationally recognized testing laboratory to IEEE 1547-2018 testing standards, complies with UL 1741-SA, are located on the customer's premises, and are metered at a single point of contact.
- (2) A Category 2 distributed generation customer has one or more Eligible Electric Generators with an aggregate nameplate capacity greater than 20 kW DC but less than 150 kW DC that use equipment certified by a nationally recognized testing laboratory to IEEE 1547-2018 testing standards, complies with UL-1741-SA, are located on the customer's premises, and are metered at a single point of contact. All Category 2 distributed generation customers will be required to install battery capacity, right sized to the installation and per City of Sturgis Technical Specifications.
- (3) Eligible Distributed Electric Generator – a renewable energy system(s) generating, in aggregate, the lesser of (a) 100% of the customer's average annual kWh usage before solar (net zero), or (b) 100% of a customer's peak demand before solar and (c) does not exceed 150 kW DC of aggregate generation at a single site.
- (4) Inflow – the metered delivery of capacity (kW) and energy (kWh) by the City to the customer during the billing month.
- (5) Outflow – the metered delivery of capacity (kW) and energy (kWh) by the customer's Renewable Energy Resource not used on site and exported to the City during the billing month.

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- (6) Renewable Energy Resource – a resource that uses the sun to generate energy (kWh) and capacity (kW).

#### **CUSTOMER ELIGIBILITY:**

In order to be eligible to participate in the Distributed Generation Program, customers must generate a portion or all of their own retail electricity requirements with an Eligible Electric Generator which utilizes a Renewable Energy Resource, as defined above.

A customer's eligibility to participate in the Distributed Generation Program is conditioned on the full satisfaction of any payment term or condition imposed on the customer by existing contracts or tariffs, including those imposed by participation in the Distributed Generation Program, or the City's Terms and Conditions for Utility Service.

#### **CUSTOMER BILLING:**

The customer will be billed according to their retail tariff plus surcharges and other factors for the metered Inflow during the billing period. The City of Sturgis currently charges a monthly minimum charge. Excess customer outflow energy credits generated by the customer in excess of their total monthly bill will be forfeited beyond the required monthly minimum charge as specified in the respective current electric rates.

- (1) Category 1 Distributed Generation customers will be metered and billed based on the net billing approach described in Appendix A.
- (2) Category 2 Distributed Generation customers will be metered and billed based on the Buy All Sell All approach described in Appendix B.
- (3) Fixed Array energy (avoided cost) will be credited at \$0.04731 per kWh
- (4) Single Axis Array energy (avoided cost) will be credited at \$0.05045 per kWh

These credits may be reviewed and adjusted as determined by the City.

#### **APPLICATION FOR SERVICE:**

In order to participate in the Distributed Generation Program, a customer shall submit a completed DER Interconnection Application Form to the Sturgis Electric Department.

If a customer does not act on the application within 6 months, the application may be considered void by the City.

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#### **GENERATOR REQUIREMENTS:**

The Eligible Electric Generator(s) must be located on the customer's premises, serving only the customer's premises, and must be intended to offset all or part of the customer's electrical requirements.

Systems shall not to exceed the customer's self-service needs of the tariff to which this Rider is attached. The customer's requirement for electricity shall be determined by the customer's annual energy usage, measured in kWh, during the previous 12-month period.

#### **GENERATOR INTERCONNECTION REQUIREMENTS:**

The City must approve in writing any subsequent changes in the interconnection configuration before such changes are implemented. Operating in parallel with the City's system without the City's written approval of the interconnection and written approval of any subsequent changes to the interconnection will subject the Customer's equipment to disconnection.

#### **METERING REQUIREMENTS**

Metering requirements shall be specified by the City. All metering must be capable of measuring and recording all inflow, outflow, and other parameters necessary under the customer's tariff.

#### **DISTRIBUTION LINE EXTENSION AND/OR EXTRAORDINARY FACILITIES:**

The City reserves the right to make special contractual arrangements with Distributed Generation Program customers whose utility service requires an investment in electric facilities as described in the City's Line Extension Policy.

#### **CUSTOMER TERMINATION FROM THE DISTRIBUTED GENERATION PROGRAM:**

A participating customer may terminate participation in the City's Distributed Generation Program at any time for any reason on sixty days' notice. In the event that a customer who terminates participation in the Distributed Generation Program wishes to re-enroll, that customer must reapply as a new program participant, subject to program size limitations, application queue and application fees.

The City may terminate a customer from the Distributed Generation Program if the customer fails to maintain the eligibility requirements, fails to comply with the terms of the interconnection and parallel operation agreement, or if the customer's facilities are determined not to follow technical, engineering, or operational requirements suitable for the City's distribution system. The City will provide sixty days' notice to the customer prior to the termination from the Distributed Generation Program, except in situations the City deems dangerous or hazardous. Such notice will include the reason(s) for termination.

#### **CITY TERMINATION OF THE DISTRIBUTED GENERATION PROGRAM:**

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City termination of the Distributed Generation Program may occur upon approval of the Sturgis City Commission.

Upon customer termination from the Distributed Generation Program, any existing Outflow credit on the customer's account will be applied to the power supply component and PSCR components of the customer's future bills for customers who remain in the residence. Outflow credit will be refunded to customer who do not remain in the residence. Distributed Generation Program credit in non-transferrable.

**RENEWABLE ENERGY CREDITS:**

Renewable Energy Credits (RECs) are owned by the customer. The City may enter into a separate agreement with the customer for the purchase of any RECs.

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**APPENDIX A**

CATEGORY 1 – NET BILLING

Under the Net Billing scenario, the Customer is billed on all inflow at the applicable retail tariff. The City credits the Customer for all outflow at the avoided cost. Net Billing requires a single bi-directional meter with dual registers to separately record inflows and outflows.

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**APPENDIX B**

CATEGORY 2 – BUY ALL SELL ALL

Under the Buy All Sell All scenario the Customer is billed for their total consumption at the applicable retail tariff. Total consumption is the sum of electricity inflow, plus the total electricity produced by the Customer from the Eligible Distributed Electric Generator(s), minus Customer outflow. The City will credit the Customer for all of the Eligible Distributed Electric Generator(s) production. Buy All Sell All requires two meters.

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**APPENDIX C**  
**TECHNICAL SPECIFICATIONS**

Application

Interconnection and Operating Agreement

Interconnection Study Agreement

Technical Standards Manual (TSM)

Fast Track Screening Questions