

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF THE PUBLIC UTILITIES ACT

- and -

IN THE MATTER OF AN APPLICATION by the **TOWN OF LUNENBURG ELECTRIC UTILITY**, for approval to add a new Regulation 5.14, Self Generation Offset to its Schedule of Regulations

BEFORE:  Peter W. Gurnham, Q.C., Chair

ORDER

WHEREAS the Town of Lunenburg, on behalf of its electric utility, made application to the Nova Scotia Utility and Review Board on April 26, 2019, for approval of an addition to its Schedule of Regulations governing the supply of electric services, to allow the Utility to offer a net metering service to its customers;

AND WHEREAS on May 27, 2019, the Utility responded to Information Requests issued by Board staff;

AND WHEREAS as a result of the Information Request process the Utility amended its application;

AND WHEREAS the Board has considered the application and is satisfied there is no increase to the current rates or charges of the Utility;

AND WHEREAS the Board issued a decision letter dated June 14, 2019, advising the Utility the Board was prepared to grant approval and directed the Utility to file a copy of its revised Regulation 5.14;

IT IS HEREBY ORDERED that the Utility be granted interim approval *ex parte* under s. 69 of the *Public Utilities Act*, which reads as follows:

Interim approval of schedule

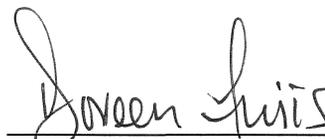
69 (1) When a public utility has submitted for the approval of the Board a schedule of rates, tolls and charges, or a proposed change in any existing schedule of rates, tolls and charges, which, in the opinion of the Board, either constitutes a reduction in the existing schedule of rates, tolls and charges at the time being paid by the majority of the customers of such public utility affected by such change in the class of service to which such proposed change applies or which applies only in respect of a service for which no rates, tolls or charges have been previously approved, the Board may at any time before finally approving or disapproving of such schedule or change, grant an interim approval thereof, with or without modification, and thereafter the existing schedule of rates, tolls and charges of such public utility as amended by such schedule of charges, interim approval of which with or without modification, as the case may be, has been so granted by the Board, shall be the only lawful rates, tolls and charges of such public utility until the Board shall express its final approval or disapproval thereof, with or without modification or amendment.

(2) Thereafter the existing schedule of rates, tolls and charges of such public utility as amended by such schedules of rates, tolls and charges or change so finally approved by the Board, with or without modification or amendment, shall be filed with the Board and shall be the only lawful rates, tolls and charges of such public utility until altered, modified or reduced as provided in this Act.

(3) Notwithstanding any other provisions of this Act, the interim approval referred to in this Section may be given *ex parte* and without public hearing or notice.

IT IS FURTHER ORDERED that the Schedule of Regulations be amended by adding a new section 5.14 - Self Generation Offset (SGO) in the form attached here as Schedule "A";

DATED at Halifax, Nova Scotia, this 25th day of June, 2019.



Clerk of the Board

RML

SCHEDULE "A"

5.14 - SELF GENERATION OFFSET (SGO)

5.14.1 DEFINITION

SGO service is a metering and billing practice that enables electricity consumers to generate electricity from renewable, low-impact, generators to offset part or all of their own electrical requirements. Excess self-generation, over a Customer's own-consumption needs, is credited against purchased energy for billing purposes over a period of one year. Any surplus generation remaining at the end of a one year period will be purchased by the Town at a rate equivalent to the rate paid by the customer for electricity supplied by the Town.

Customers taking this service will be referred to as "customer-generators".

5.14.2 AVAILABILITY

SGO is available to all Customers who are served from the Town's distribution system, who are billed under the Town's metered service rates, who install a qualifying generating facility, as defined under item b) in the Special Conditions Section 5.14.5. The maximum capacity of the customer's generating facility will be sized to meet the expected annual consumption of the customer and will fall into the following Class of service:

Class 1 SGO service means a generating facility of aggregate nameplate capacity of up to 100 kW.

(a) SGO is not applicable for Unmetered services.

(b) The customer must provide a written request to take the SGO service.

The service is available on a first come, first serve basis.

5.14.3 APPLICABILITY

The service is applicable to any metered electric service accounts which are electrically connected to the same Town Distribution Zone as the generator, and which are owned by the same customer.

5.14.3.1 DISTRIBUTION ZONE

The Distribution Zone is defined as all Town distribution feeders emanating from a single distribution supply transformer within a substation. The Town reserves the right to broaden this definition if in the opinion of the Town this is justified by a customer-specific circumstance and is consistent with the spirit of the intent of this regulation.

5.14.3.2 CUSTOMER

For the purpose of the SGO regulation "customer" is defined as a single legal entity.

5.14.4 BILLING

(a) Customer-generators will be billed under the otherwise-applicable metered rate schedules.

(b) If in a given billing period the electricity supplied to the Town by the customer-generator exceeds that supplied to the Customer by the Town, the Customer shall be billed only for the greater of the applicable non-KWh monthly charges or \$15.00 and shall have the excess self-generation "banked" as energy credits to be applied against future bills over a period not exceeding 12 calendar months.

Banked Excess Self-generation = Self-generation supplied to the Town - Purchased energy from the Town.

(c) If in a given billing period the combined total of the electricity supplied to the Town's grid by the customer-generator and the "banked" energy credits from the previous billing periods is less than the electricity supplied to the Customer by the Town, the Town will bill the Customer for the Net Purchased Energy Requirement and for the applicable non-KWh monthly charges.

Net Purchased Energy Requirement = Purchased energy from the Town - (Self-generation supplied to the Town + "Banked" energy credits).

(d) "Banked" excess self-generation will create an energy credit to be held by the customer-generator and will carry over until the Customer's annual anniversary date at which time the energy credit will be set to zero with compensation to the customer-generator priced at the appropriate rate as defined in 5.14.1. The customer-generator will set a permanent annual anniversary date at the time of subscription to the SGO service. No changes to the annual anniversary date will be permitted once set. If service is discontinued, any outstanding banked energy credits will be priced in the same manner as those at the time of the annual anniversary date and paid back to the customer-generator.

(e) Any interim energy credit balances on a customer-generator's account other than those covered under item (d) will not have any cash value or be convertible to cash.

(f) Should a customer-generator be billed under more than one electric account connected to the same Distribution Zone as the generating facility, the Customer will propose a method to apportion its surplus generation against its consumption under multiple accounts for billing purposes. The Customer will either designate the order in which the apportionment of surplus generation is to be applied to individual accounts or nominate the fraction of surplus generation to be apportioned to each account or choose a combination of both approaches. Should a customer-generator subscribe to more than one SGO application within the same Distribution Zone, each account will have only one generating facility assigned to it for billing purposes. The proposed method of surplus allocation and the account assignment to generating facilities will be approved upon the subscription to the SGO service and will stay in effect until such a time when Customer submits a written request for change. The Town may, at its sole discretion, approve such changes provided they remain in place for a minimum of 12 months.

(g) For Accounts billed under domestic time-of-day service, the Town will measure and bank self-generation sold to the grid by distinct time-of-use periods for billing purposes. Any surplus generation remaining at the time of the annual anniversary date or at the time the service is discontinued will be compensated at the Energy rates as noted in 5.14.1.

(h) Any environmental credits which may be created through the generation of energy through SGO will be for the benefit of the Town.

5.14.5 SPECIAL CONDITIONS

(a) Special conditions in this regulation do not supersede, modify or nullify special conditions accompanying the other-wise applicable metered rate schedules.

(b) A Qualifying generating facility must meet the following requirements:

i, Utilizes only a renewable, low-impact source of energy as defined in the Renewable Electricity Regulation for the purposes of section 3A of Chapter 25 of the Electricity Act.

ii, Has a manufacturer's nameplate rating of not more than 100 Kilowatts, which the Town has the right to verify through inspection or testing.

iii, Is located within the same Distribution Zone as all of the Customer's premise(s) for which the Customer is requesting SGO electric service in conjunction with this facility.

iv, Subject to special condition b) iii), at the discretion of the customer, the generator may be connected to the grid either at any of the existing points of delivery of purchased power from the Town or at a separate point if approved by the Town. If a separate point of delivery is used, all additional costs will be the responsibility of the customer-generator.

v, The SGO facility shall meet all applicable safety and performance standards established by Measurement Canada, the Canadian Electrical Code, and the Town's guidelines.

vi, The customer-generator shall meet all municipal zoning guidelines in place at the time of installation.

vii, Any "Non-Standard" metering required will be supplied at cost to the customer-generator.