AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO, ADOPTING STANDARDS FOR LARGE GENERATION SYSTEMS IN SECTION 12.40.050 OF THE GUNNISON MUNICIPAL CODE, AND ESTABLISHING A RATE FOR THE ELECTRICITY CONSUMED AND GENERATED

WHEREAS, the City Council is empowered and directed by the City of Gunnison Municipal Home Rule Charter to fix, establish, maintain and provide for the collection of such rates, fees or charges for utility services furnished by the City as will produce revenues sufficient to pay the costs, expenses and other obligations of the electric utility, as set forth therein; and

WHEREAS, while C.R.S. §40-2-124 does not require municipally owned utilities to allow residential customer-generators in excess of ten kilowatts or commercial or industrial customer-generators in excess of twenty-five kilowatts, the City of Gunnison wishes to allow such customer-generators and pass-through the avoided cost and charge for unavoidable fixed costs attributed to such generation to the customer-generator; and

WHEREAS, the provision of financial credits encourages the continuing development of alternative energy sources which enhances the community's resiliency in terms of energy sources and further enhances the sustainability goals of the City Council of the City of Gunnison; and

WHEREAS, based on the foregoing, the City Council finds offering rates to customers participating in the large generation program serves a utility purpose beneficial to all electric service customers and such rates are reasonable, fair and non-discriminatory in relation to benefits realized across the electric distribution system; and

WHEREAS, the City Council of the City of Gunnison, through its Electric Enterprise desires to set a rate schedule that both recognizes the generation of electricity from such systems and recovers costs associated with provision of electricity when such systems are not generating electricity; and

WHEREAS, staff has recommended changes to the electrical rates set forth in Section 12.40.020(A); and

WHEREAS, staff has recommended adoption of provisions in Section 12.40.050, to accomplish the purposes set forth herein.

NOW, THEREFORE, IT IS ORDAINED BY THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO, AS FOLLOWS:

Section 1. The electrical rates as set forth in Section 12.40.020(A), Rate Tables, Electrical Rates, of the City Code of the City of Gunnison, are hereby amended to read as follows:

<table>
<thead>
<tr>
<th>Electrical Rates</th>
<th>2019 Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential:</td>
<td></td>
</tr>
<tr>
<td>Monthly Service Charge</td>
<td></td>
</tr>
<tr>
<td>Flat Rate</td>
<td>$14.75</td>
</tr>
<tr>
<td>Time of Day Rate</td>
<td>$19.25</td>
</tr>
<tr>
<td>Usage Charge</td>
<td>$0.08430 /kWh</td>
</tr>
<tr>
<td>Time of Day Rate</td>
<td></td>
</tr>
<tr>
<td>On-Peak</td>
<td>$0.10260 /kWh</td>
</tr>
<tr>
<td>Off-Peak</td>
<td>$0.05010 /kWh</td>
</tr>
<tr>
<td>Commercial:</td>
<td></td>
</tr>
<tr>
<td>Monthly Service Charge</td>
<td>$25.00</td>
</tr>
<tr>
<td>Usage Charge</td>
<td>$0.08700 /kWh</td>
</tr>
</tbody>
</table>
City Government Service:
  Monthly Service Charge $25.00
  Usage Charge $0.08700 /kWh

Western Colorado University:
  Monthly Service Charge $95.00
  Usage Charge $0.05840 /kWh
  Demand Charge $9.50 /kW

Contract Lights:
  Monthly Charge $10.15
  Wind Power $ 1.70/100 kWh per month
  Net Metering Fee $2.50 per month
  Large Generation System Interconnection Fee $5.46/kW per month
  Avoided Cost Rate $0.02749/kWh

Section 2. The City Code of the City of Gunnison is hereby amended by the adoption of 12.40.50, to Title 10, "Utilities" which reads as follows:

12.40.50 Large Generation Systems

A. Applicability. Residential, commercial and industrial electrical customers who install eligible solar photovoltaic or wind turbine (PV-W) systems greater than 25 kilowatts are considered Large Generation Systems and subject to the provisions of GMC 12.40.50. All customers taking advantage of this Program shall be located within the City of Gunnison's service territory. Systems over 25 kilowatts will not be net metered.

B. Standards of Interconnection. All customers installing a Large Generation System shall agree to the Policy and Guidelines for Interconnection for Parallel Installation and Operation of Customer-Owned Renewable Electric Generating Facilities.

C. Metering Ownership. The City of Gunnison shall, at its sole discretion, provide, own, operate, and maintain all meters and metering equipment necessary to measure both the energy supplied by the City of Gunnison and the energy produced by the PV-W system. The City of Gunnison reserves the right to utilize measurements from its meter of the energy produced by the PV-W system for billing the unit's productions.

D. Energy Purchase Contract. Large Generation Systems are required to enter into an Energy Purchase Contract.

E. Fees and Reimbursement. In addition to regular fees outlined in GMC 12.40.020(A), Customers shall be charged fees and receive reimbursements as follows:

1. The Large Generation System Interconnection Fee set in GMC 12.40.020(A) will be charged each month based on the size (nameplate rating) of the system.

2. Energy produced by the customer and consumed simultaneously on site offsets retail energy purchased from the city, and therefore generation is offset at the retail rate.

3. The sum of all instantaneous excess generated energy shall be reimbursed monthly at the Avoided Cost Rate.
Section 3. Should any section, clause, phrase, or provision of this ordinance be ruled invalid or unenforceable by any court of competent jurisdiction, it is hereby declared the intent of the City Council of the City of Gunnison, Colorado, that the remaining provisions of this ordinance shall be given full force and effect if it is possible to do so.

INTRODUCED, READ, PASSED AND ORDERED PUBLISHED this 12th day of November, 2019, on first reading, and introduced, read, and adopted on second and final reading this 19th day of Nov J 19.

SEAL: 

ATTEST: 

City Clerk

Published by Title in the
Gunnison Country Times Newspaper
November 14, 2019