Net Metering Pilot - Renewable Energy Facilities

Rate Code NM

General:
Under the net metering pilot program, Interstate Power and Light Company (IPL) shall purchase renewable kilowatt (kW) capacity and kilowatt-hour (kWh) energy as Private Energy Credits from its Customers with local generation facilities, as described in the Iowa Administrative Code (IAC) 199 – Chapter 15, on a monthly basis, at terms and conditions set forth below:

Applies to:
This pilot program rate schedule is applicable to Residential, Non-Residential General Service, and Large General Service Customers that file complete interconnection applications on or after April 1, 2017, with local generation facilities for metered energy only, which are defined as Alternate Energy Production (AEP) Facilities or Small Hydro Facilities as such terms are defined by Section 476.42, Iowa Code. Such facilities will be referred to in this rate schedule individually as “Private Generation Facilities” or “Facilities”.

AEP Facility (Private Generation Facility) means any of the following:

1. An electric production facility which derives 75 percent or more of its energy input from solar, wind, waste management, resource recovery, refuse-derived fuel, agricultural crops or residues, or wood-burning;
2. A hydroelectric facility at a dam;
3. Land, systems, buildings, or improvements that are located at the project site and are necessary or convenient to the construction, completion or operation of the facility; or
4. Transmission or distribution facilities necessary to conduct the energy produced to the purchasing utility.

Customers currently receiving service under rate code AEP shall have the option to take service under this pilot program. If an existing Rate Code AEP Customer chooses to take service under this pilot program, the Customer:

1. Cannot return to Rate Code AEP at a later date;
2. Will be switched for the first full billing cycle that begins at least 15 days after the request to switch is received; and
3. Cannot carry over any Private Energy (Net Metering) Credits from Rate Code AEP. Any Private Energy (Net Metering) Credits acquired while on Rate Code AEP will be forfeited when switching to the Net Metering Pilot rate schedule.

Character of Service:
Regarding the character of electric service provided to IPL by the Private Generation Facility, see Section 16 of the Rules and Regulations. Regarding the character of the electric service provided to Customer by IPL, see the Rate Schedule defined in the Rates for Energy Sales to Customer Section below.
Net Metering Pilot - Renewable Energy Facilities
Rate Code NM

Rates and Charges:

I. Interconnection Requirements of Private Generation Facilities and Costs:

Interconnection facilities costs are described in the Iowa Administrative Code (IAC) 199 – Chapter 45. Customer agrees to submit an interconnection plan for its private generation facility for IPL approval not less than 30 days prior to connection and pursuant to Section 16 of IPL’s Rules and Regulations.

Interconnection plans are subject to written IPL approval and must include a schematic diagram of the proposed installation, technical specifications of equipment to be connected, and the proposed date of interconnection.

Modification To Private Generation Facilities: A Customer may not modify facilities previously approved by IPL without IPL approval of such proposed modifications.

Location: The proposed interconnection facilities shall not interfere with IPL’s present or proposed distribution system facilities or operation. Interconnection of facilities shall have one geographic location or point of service from IPL.

II. Rates for Energy Sales to Customer:

The Customer shall be responsible for payment of any applicable Basic Service Charge and Monthly Demand Charges pursuant to the applicable rate schedule for which the Customer qualifies. Rate schedule applicability will not take into account the energy provided by private generation for Net Metering. For energy charges collected on the basis of metered registration, IPL shall for each monthly billing period determine the Private Energy Credits to be applied to the energy charges for the Customer’s bill on the basis of the directional energy kWh flow in each direction.

If the net meter registration shows that the energy deliveries (up to 100 percent of the Customer’s alternating (AC) kW load) from the Facility to IPL exceed the energy deliveries from IPL to the Facility, the net meter energy in kWh will be carried forward to the next monthly billing period as a Private Energy Credit, expressed in kWh, until the annual cash-out or termination of service. If the Customer has carried over a Private Energy Credit from one or more prior months, the net meter registration from the current month shall be added to the Private Energy Credit that exists from prior months, until the annual cash-out or termination of service.

If the net metering registration shows that deliveries of energy in kWh from IPL to the Facility exceed the energy deliveries (up to 100 percent of the Customer's AC kW load) from the Facility to IPL, the Customer shall pay IPL for the net amount of kWh energy delivered by IPL after application of any Private Energy Credit carried forward from previous months at the rate applicable to its type or class of electric service.

III. Rates for Purchase by Company

Annual Cash-Out:
Excess Private Energy Credits will be cashed-out annually at the avoided cost rates for purchase in IPL’s Cogeneration and Small Power Production (Rate Code CSPP) for “As Available Non-firm Energy”. The Customer may choose an annual cash-out that takes place during the first full billing cycle of the calendar year or the first billing cycle following April 1.
Net Metering Pilot - Renewable Energy Facilities

Rate Code NM

Unless the Customer elects to transfer a larger share, the funds from the cash-out will be divided evenly between the Customer and IPL’s Hometown Care Energy Fund to provide assistance to Customers in need. To the extent the Customer wants to transfer more to the Hometown Care Energy Fund, the Customer must elect the transfer percentage during the interconnection application. Additional transfers can be made in 25% increments. Customers can modify the election once each calendar year prior to December 1st.

The Customer’s portion of the cash-out funds will appear as a credit on the Customer’s bill.

Cash-Out Upon Termination of Service:
When a Customer terminates service, any unused Private Energy Credits will be cashed-out at the avoided cost rates for purchase in IPL’s Cogeneration and Small Power Production (Rate Code CSPP) for “As Available Non-firm Energy” at the time of termination.

The Customer’s portion of the cash-out funds will appear as a credit on the Customer’s final bill with any balance refunded by check.

A. Customers with Private Generation Facilities over 1,000 kW:
For Customers that have facilities with total nameplate AC kW capacity greater than 1,000 AC kW, all energy inflows to the facility shall be billed at the applicable rate schedule that the Customer qualifies for. Rate schedule applicability will not take into account Net Metering. All energy outflows from the Customer into IPL’s power grid shall be purchased by IPL at prices negotiated between IPL and the Customer not to exceed IPL’s avoided cost. Customers may contract for a portion of their private generation facilities up to 1,000 AC kW as Private Energy Credits pursuant to the additional load capacity AC kW limitation below.

B. Load Limitations for Private Generation Credits:
Private Energy Credits shall be computed based upon the private generation facility’s AC capacity, up to 100% of the Customer’s AC kW load, but less than 1,000 AC kW. For private generation facilities with a nameplate capacity in excess of 100% of the Customer’s load, the energy outflows from the Customer into IPL’s power grid shall be divided into separate Private Energy Credits and Purchase portions. The Private Energy portion shall be a prorated amount, calculated by applying the total energy outflow to a ratio of 100% of the Customer’s load to the nameplate capacity of the Customer’s private generation facility at the location. The remaining energy outflow shall be the Purchase portion at the avoided cost rates for purchase in IPL’s Cogeneration and Small Power Production (Rate Code CSPP) for “As Available Non-firm Energy” CSPP rate, for those facilities 100 kW or less. For facilities greater than 100 kW, the purchase rate shall be the avoided cost rate described in section A above.
Net Metering Pilot - Renewable Energy Facilities

Customer class average annual load factors shall be used for customers that do not have historic kW demand data in the determination of a customer’s load in the calculation of the load limitations for private generation credits. Customer class non-coincident kW demand shall be used in lieu of customer class average annual load factors in the event a customer has not historic kWh usage in the determination of a customer’s load in the calculation of the load limitations for private generation credits. The calculation to determine load shall be Customer annual kWh / 8,760 hours / load factor. For example, a residential customer that uses 12,000 kWh annual would have a load calculation as follows:

12,000 kWh / 8,760 hours / 19% load factor = 7.21 kW.

Based upon this load calculation a customer can install generation with an AC capacity up to 7.21 per kW and the energy deliveries up to 100 percent of the Customer's alternating current (AC) kW load would be considered the net meter energy kWh. If a customer installs generation capacity greater than 7.21 AC kW, for example 9 kW capacity, then the kWh eligible for net metering would be the pro-rata share of 7.21 kW divided by the 9 kW, or 80 percent.

Energy received by IPL in excess of the 80 percent would be credited on the customer’s bill at avoided cost.

Metering Equipment:
The Company will install and provide, at no additional cost to the Facility, metering equipment at the point of service to the Facility capable of measuring power flows in each direction on an hourly or other real-time basis.

The Customer will not incur any additional charges for metering beyond the charges for metering provided in the Customer’s applicable rate schedule.

Sunset Provision:
This tariff will expire no less than three (3) years from its effective date, and, upon Board approval, may be extended for an additional two (2) years at the time of expiration. If at the end of the three-year study period, the Board determines that these tariff changes should not be incorporated on a permanent basis, the Customers taking service under this tariff shall be allowed to remain on the tariff for the life of their interconnected equipment not to exceed 25 years. Such contracts may be assigned for collateral purposes, or may be assigned by the Company in conjunction with a reorganization, but otherwise shall not be assignable without written consent of the parties. Written consent will not be unreasonably withheld by the Company. Notwithstanding any other provision of this tariff, all rates and charges contained in this tariff may be modified at any time by a subsequent filing made pursuant to the provisions of Chapter 476 of the Code of Iowa.

Billing and Payment:
Billing by IPL shall be rendered monthly. The term “monthly” for billing purposes hereunder shall mean the period between any two (2) consecutive regular readings by the Company for the meter(s) at the Facility, such readings to be taken as nearly as may be practicable every thirty (30) days. The billings shall be calculated using the applicable rate(s).

Bills are due within twenty (20) days from the date the bill is rendered to the Customer. Bills not paid within the twenty (20) day period will be assessed a late payment charge. The late payment charge is equal to one and one-half percent (1.5%) per month of the past due amount.
Net Metering Pilot - Renewable Energy Facilities

Special Provisions:
1. Customer may be served from a distribution transformer which serves no other Customer.

2. At its discretion, IPL may install on Customer's property, research metering equipment that is not required for billing purposes. Customer shall incur no costs for any research metering unless Customer desires additional metering data, in which case, Customer shall pay the appropriate excess facilities and data handling charges.

3. The Customer will pay all costs of interconnecting a facility to IPL’s system as specified in IPL’s interconnection policy and contract with the Customer.

4. All electricity delivered shall be for the exclusive use of the Customer and shall not be resold. The net-metering tariff is available under any ownership structure, including facilities financed through third parties.

5. The Customer shall be subject to the provisions of IPL’s requirements for interconnection as the provisions exist and may change from time to time.

6. Customer shall indemnify IPL against all liability which may result from any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, or operation of the private generation facility or by any related act or omission of the Customer, its employees, agents, contractors or subcontractors.

7. The customer class load factors and non-coincident demands based upon 2018 load research data are as follows:

   Residential – 19% load factor, 5.59 kW,
   General Service – 28% load factor, 10.26 kW,
   Large General Service – 56% load factor, 459.80 kW.

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Date Issued: May 17, 2019  Effective Date: July 17, 2019
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