

RESOLUTION NO. 21-9011

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA,
AMENDING CITY ELECTRIC UTILITY RATE SCHEDULE SB-1 –
STANDBY GENERAL SERVICE WITH RESPECT TO
DETERMINATION OF RESERVATION CAPACITY, AND RATE
SCHEDULE NM – NET ENERGY METERING SERVICE WITH
RESPECT TO IMPLEMENTATION OF AN AGGREGATE
METERING OPTION**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, all electric energy and power furnished to customers of the Electric Department of the City of Santa Clara, California, doing business as Silicon Valley Power, shall be supplied and charged to such customers, and paid for by such customers in accordance with certain electric rate schedules, tariffs and rules and regulations adopted and amended from time to time by the City Council;

WHEREAS, Chapter 13.05 of the Santa Clara City Code (“Code”) pertains to Operation of an Electric Utility, and Section 13.05.040 of the Code provides that the City Council may, by resolution, from time to time as it deems necessary for the administration or implementation of the intent of this chapter, review, revise, adopt and/or promulgate new or amended rate schedules and regulations concerning the operation or administration of the Electric Utility;

WHEREAS, the Electric Department presented a Report To Council to City Council at its regularly scheduled meeting on October 19, 2021 to amend Silicon Valley Power Rate Schedule SB-1 – Standby General Service with respect to determination of reservation capacity, and Rate Schedule NM – Net Energy Metering Service with respect to implementation of an aggregate metering option; and,

WHEREAS, the City Council reviewed and approved the recommendations contained in the Report to Council, which included the recommendation to the City Council to amend Silicon Valley Power Rate Schedule SB-1 – Standby General Service with respect to determination of reservation capacity, and Rate Schedule NM – Net Energy Metering Service with respect to implementation of an aggregate metering option.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. That the Rate Schedules, which are attached to this Resolution and incorporated by reference, are amended to include and memorialize the changes as presented by City Staff to the City Council during its regularly scheduled meeting on October 19, 2021, to amend Silicon Valley Power Rate Schedule SB-1 – Standby General Service with respect to determination of reservation capacity, and Rate Schedule NM – Net Energy Metering Service with respect to implementation of an aggregate metering option.
2. That the amended Rate Schedules attached to this Resolution are hereby approved and adopted by the City Council and said Rate Schedules shall become effective November 1, 2021.
3. That the amendments to Rate Schedules SB-1 and NM adopted by the City Council in this Resolution are necessary to enable the Electric Department to more accurately apply the provisions of Rate Schedule SB-1 and Rate Schedule NM.
4. That a true and correct copy of the Resolution, including amended Rate Schedule SB-1 and Rate Schedule NM, shall be kept on file in the Office of the City Clerk and in the Billing Division of the City Finance Department at all times while the rates are effective and, until further amended or replaced, shall be open to public investigation and inspection during the regular business hours of such offices.

//
//
//
//
//
//
//

5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 19TH DAY OF OCTOBER, 2021, BY THE FOLLOWING VOTE:

AYES: COUNCILORS: Becker, Chahal, Hardy, Jain, Park, and Watanabe, and Mayor Gillmor

NOES: COUNCILORS: None

ABSENT: COUNCILORS: None

ABSTAINED: COUNCILORS: None

ATTEST:



NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Rate Schedule SB-1 to be Effective November 1, 2021
2. Rate Schedule NM to be Effective November 1, 2021

**CITY OF SANTA CLARA
SILICON VALLEY POWER**

**RATE SCHEDULE SB-1
STANDBY GENERAL SERVICE
DEMAND METERED**

Sheet 1 of 2

DESCRIPTION OF SERVICE

This schedule is applicable to standby service for customer's on-site self-generation operated in parallel with service from SVP under any of SVP's applicable demand-metered rate schedules, where such self-generation is not eligible for service under Schedule NEM. This Schedule does not apply to customer's on-site renewable electrical generation facility where Schedule NEM is applicable. The Capacity Reservation Charges under this Schedule SB-1 are supplemental to the demand charges under the applicable demand-metered rate schedule, and are intended to result in SVP recovering its costs to provide standby services for the on-site generation capacity.

RATES:

CUSTOMER CHARGE:

The Customer Charge is equal to the applicable Customer Charge set forth in Customer's otherwise applicable rate schedule.

CAPACITY RESERVATION CHARGE (CRC):

The Capacity Reservation Charge is equal to the applicable Demand Charge per kW set forth in customer's otherwise applicable Rate Schedule multiplied by the lower of 45% of the nameplate rating of customer's on-site generation or the Reservation Capacity determined pursuant to Note D.

SURCHARGES:

Public Benefits Charge, as set forth in Note B, will be added to the above charges.

NOTES:

(A) FLUCTUATIONS IN CUSTOMER'S SELF-GENERATION OUTPUT:

Customer shall coordinate with SVP's System Dispatcher for changes of 2000 kW or more in the output of customer's self-generation. If operationally necessary and practical, the System Dispatcher may require customer to schedule the return to service of customer's self-generation. Such coordination shall not relieve Customers from Capacity Reservation Charges determined above.

(B) PUBLIC BENEFITS CHARGE:

The Public Benefits Charge is a state required non-bypassable surcharge imposed on all sales of electricity and electrical services. It is used to fund public goods research, development, and demonstration, as well as, energy efficiency activities, renewable energy, and low income assistance programs. The surcharge is equal to the sum of the Meter Charge and Capacity Reservation Charge, times 0.0285.

(C) PARALLEL OPERATION:

Any customer may operate its generating plant in parallel with SVP's system if the customer's plant is constructed and operated in accordance with SVP Rule. However, a customer who operates its plant in parallel must assume responsibility for protecting SVP and other parties from damage resulting from

**Date Effective: November 2021
Bill Cycle 714, Series 100**

Resolution No. 21-9011

**Supersedes Rate Effective: February 2021
Bill Cycle 705, Series 100**

Resolution No. 21-8931

**CITY OF SANTA CLARA
SILICON VALLEY POWER**

RATE SCHEDULE SB-1 STANDBY GENERAL SERVICE DEMAND METERED	Sheet 2 of 2
--	---------------------

negligent operation of the customer's facilities. Customers may be required to meet requirements imposed by other governing entities having jurisdiction over SVP's transmission lines including the California Independent System Operator (CAISO) and the Western Electricity Coordinating Council (WECC). Customer generation under this rate schedule shall be metered by SVP. Customer shall provide a meter location that accommodates SVP's meter and such meter shall be fully accessible by SVP.

(D) RESERVATION CAPACITY:

The Reservation Capacity to be used for billing under the above rates shall be determined as set forth below:

The Reservation Capacity shall be as initially determined by SVP, except that during the first 12-month period following the date of initial determination, SVP may review the specified Reservation Capacity on a monthly basis and make adjustments as warranted (consistent with the criteria specified below). Thereafter, SVP may perform an annual review of the most recent 12 months of actual customer operation and make prospective adjustments to the Reservation Capacity as warranted and consistent with customer's historic operations. Any such adjusted Reservation Capacity shall be effective for a minimum of 12 months unless a documented material change of operation is provided to SVP by the customer. The customer may provide SVP with documentation of such material changes in operations as might call for an adjusted Reservation Capacity at any time. Upon receipt and review of such documentation, SVP shall revise the Reservation Capacity at its sole discretion and such a revision will be effective for the billing period immediately following receipt, acceptance and approval of the documentation and any additional information required by SVP to make such a determination. For purposes of subsequent annual reviews and any resulting adjustment to the Reservation Capacity, the following criteria shall apply:

a. For those customers who operate sufficient non-utility generating capacity so as to ordinarily satisfy all of the electric energy requirements at their site and so do not ordinarily require any service through facilities owned by SVP, the Reservation Capacity shall not exceed the customer's highest peak demand established during the most recent 12 months of actual customer operation;

b. For customers with electric loads that exceed the output capability of their non-utility generation, and thus require the regular provision of supplemental power service through facilities owned by SVP, the Reservation Capacity determination shall consider the number and size of the customer's non-utility generating unit(s), the outage diversity of the non-utility generating units serving the customer's load, and any reduction of customer load commensurate with non-utility generator capacity outages.

Date Effective: November 2021 Bill Cycle 714, Series 100	Resolution No. 21-9011
Supersedes Rate Effective: February 2021 Bill Cycle 705, Series 100	Resolution No. 21-8931

**CITY OF SANTA CLARA
SILICON VALLEY POWER**

RATE SCHEDULE NM NET ENERGY METERING SERVICE	Sheet 1 of 3
---	---------------------

With 2021 Excess Energy Rate

APPLICABILITY:

This Net Energy Metering rate schedule is applicable to all customers served by Silicon Valley Power (SVP), who own and operate a solar or a wind turbine electrical generating facility, or a hybrid system of both. Such facility shall be located on the customer's premises, shall operate in parallel with SVP's transmission and distribution facilities, shall not exceed 1000 kilowatts, and shall only be used primarily to offset part or all of the customer's own electrical requirements. Availability of this schedule to such "customer-generators" will be on a first-come first-served basis, until the total rated generating capacity operated by eligible customer-generators equals 5.0 percent of SVP's annual peak distribution demand.

RATES:

All rates charged under this schedule shall be the same as the rates charged under the eligible customer generator's otherwise applicable rate schedule (OAS). An eligible customer-generator served under this schedule shall be responsible for all charges under the otherwise applicable rate schedule, except that energy usage will be metered and billed on a net basis. An annual bill will be rendered, as required by Section 2827 of the California Public Utilities Code. A monthly statement of accumulated charges and credits shall be provided. Monthly statements shall be subject to SVP's payment provisions pursuant to Municipal Service Rule and Regulation No. 6, except that customers whose OAS is a demand metered SVP Rate Schedule shall be subject to monthly payment of bills, and be subject to annual true-up as necessary. If the energy generated exceeds the energy consumed during the annual billing cycle, at the customer-generator's option, payment shall be made for such excess energy delivered to SVP's distribution facilities as set forth below, or applied as a credit to the next annual billing cycle.

LOAD AGGREGATION OPTION:

An eligible customer-generator with multiple meters may elect to aggregate the electrical load of the meters located on the property where the renewable electrical generation facility is located and on all properties adjacent or contiguous to the property on which the renewable electrical generation facility is located, if those properties are solely owned, leased, or rented by the eligible customer-generator.

If an eligible customer-generator chooses to aggregate the electrical load of such meters, (i) the eligible customer-generator shall be permanently ineligible to receive net surplus electricity compensation, and SVP shall retain any kilowatt-hours in excess of the eligible customer-generator's aggregated electrical load generated during the 12-month period; (ii) the electricity generated by the renewable electrical generation facility shall be allocated to each of the meters in proportion to the electrical load served by those meters for each billing period. This proportionate allocation shall be calculated based on customer-generator's load data averaged over an indicative 12-month period (estimated if necessary) and should be effective for a minimum of 12 months.

METERING:

Net energy metering is the use of a single meter to measure the flow of electricity in two directions. If the existing electrical meter of an eligible customer-generator is not capable of measuring the flow of electricity in two directions the customer-generator shall be responsible for all expenses involved in purchasing and installing a meter that is able to measure electricity flow in two directions. Any additional meter or meters to monitor the flow of electricity in each direction may be installed with the consent of the customer-generator, at SVP expense.

Date Effective: November 2021 Bill Cycle 714, Series 100	Resolution No. 21-9011
Supersedes Rate Effective: February 2021 Bill Cycle 705, Series 100	Resolution No. 21-8931

**CITY OF SANTA CLARA
SILICON VALLEY POWER**

RATE SCHEDULE NM NET ENERGY METERING SERVICE	Sheet 2 of 3
---	---------------------

With 2021 Excess Energy Rate

SVP meter(s) to monitor the output of customer-generator's generating facilities are required if customer-generator elects the Load Aggregation Option. Such meters shall be provided by SVP and paid for by the customer-generator.

INTERCONNECTION:

Prior to interconnection, the customer-generator shall execute an interconnection agreement with SVP and shall comply with SVP's Rules and Regulations regarding parallel generation, except that service under a standby rate schedule shall not be required. The customer-generator must also meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the California Public Utilities Commission regarding safety and reliability.

PAYMENT RATE FOR EXCESS ENERGY:

The Payment Rate for Excess Energy shall be revised during each calendar year, and shall consist of the sum of an avoided energy cost charge and an avoided renewable energy value charge. The avoided energy cost is equal to 8000 Btu/kWh times SVP's avoided cost of gas in \$/MMBtu. The avoided cost of gas shall be the average of the 12 monthly values for PG&E Citygate taken from Natural Gas Intelligence, adjusted to include transportation to Santa Clara, ending in October of the year prior to the effective date of the Payment Rate for Excess Energy. The avoided renewable energy value charge shall be equal to the average value of renewable energy credits used for SVP's Green Power Program in the 12 months ending in October of the year prior to the effective date of the Payment Rate for Excess Energy.

Payment Rate for Excess Energy effective February 1, 2021: \$ 0.03960 per kWh

Date Effective: November 2021 Bill Cycle 714, Series 100	Resolution No. 21-9011
Supersedes Rate Effective: February 2021 Bill Cycle 705, Series 100	Resolution No. 21-8931

**CITY OF SANTA CLARA
SILICON VALLEY POWER**

RATE SCHEDULE NM NET ENERGY METERING SERVICE	Sheet 3 of 3
---	---------------------

With 2021 Excess Energy Rate

Exhibit A

**Rate Schedule NM
Derivation of Payment Rate for Excess Energy**

1. Avoided energy cost charge:

Average of the monthly values for PG&E Citygate from Natural Gas Intelligence for the 12 months ending October 2020: \$3.000 per MMBtu

Average cost of transportation from PG&E Citygate to Santa Clara Donald Von Raesfeld Power Plant for the 12 months ending October 2020: \$ 0.075 per MMBtu

Total average delivered cost of gas: \$3.075 per MMBtu

Avoided energy cost = \$3.075 per MMBtu x 8000 Btu/kWh = \$0.0246/kWh

2. Avoided renewable energy value charge:

Average value of renewable energy credits used for SVP's Green Power Programs for the 12 months ending October 2020: \$0.015 per kWh

3. Payment Rate for Excess Energy beginning February 2021:

	<u>\$/kWh</u>
Avoided energy cost charge	\$0.02460
Avoided renewable energy value charge	\$0.01500
Total	\$0.03960

Date Effective: November 2021 Bill Cycle 714, Series 100	Resolution No. 21-9011
Supersedes Rate Effective: February 2021 Bill Cycle 705, Series 100	Resolution No. 21-8931