

**ORDINANCE NO. 943
(AS AMENDED THROUGH 943.1)
AN ORDINANCE OF THE COUNTY OF RIVERSIDE
ESTABLISHING REGULATIONS AND PROCEDURES FOR
NET-ENERGY METERING BY IRRIGATION DISTRICTS**

The Board of Supervisors of the County of Riverside ordains as follows:

Section 1. DEFINITIONS. As used in this ordinance, the following terms shall have the following meanings:

- a. Commission. The Public Utilities Commission of the State of California.
- b. Customer-Generators. Those persons or entities (residential and commercial) who install small solar, wind, biogas, and fuel cell generation facilities (1 megawatt or less) to serve all or a portion of onsite electricity needs.
- c. Irrigation District. Those districts formed and operating pursuant to the California Irrigation District Act providing electric service in the County whose Net-energy Metering Program, defined herein, is not regulated by the Commission but is instead established by the governing board of the Irrigation District.
- d. Net-energy Metering or NEM. The Irrigation District program that allows a Customer-Generator to receive a financial credit for power generated by the Customer-Generator's onsite system and fed back to the Irrigation District. The credit is used to offset the Customer-Generator's electricity bill. NEM is an important element of the policy framework supporting direct Customer-Generator investment in grid-tied distributed renewable energy generation, including customer-sited solar PV systems.
- e. Person. Includes individuals, firms, corporations, partnerships, an Irrigation District, and their agents, officers, directors, and employees.
- f. Southern California Edison or SCE. An investor-owned utility or "IOU" regulated by the Commission, providing over 14 Million people with electricity over 50,000 square miles in Southern California.

Section 2. NET-ENERGY METERING PROGRAM. Within ninety (90) days of the Effective Date of this Ordinance, pursuant to Section 22123 of the California Water Code, with the express consent and direction of the governing board of the County of Riverside, Irrigation Districts providing electric service in the County shall offer a NEM program that is as expansive but in no event more restrictive than the rules, regulations, and orders of the Commission applicable to SCE for NEM customers under NEM Successor Tariff Decision (D). 16-01-044 and any decision of the Commission that supersedes such decision or otherwise governs NEM. As of the Effective Date of this Ordinance, the Irrigation District shall provide Customer-Generators a credit equal to the fully bundled retail rate for generation that offsets load (coincident or non-coincident), and covers net excess generation. In addition to billing credits for net energy exported to the electric grid, participating NEM Customer-Generators shall also be exempt from standby charges, departing load charge, and costs associated with interconnection application fees, studies and distribution upgrades. In the

event that the Commission-adopted rules, regulations, and orders applicable to the SCE NEM program are amended by the Commission and, as a result, this ordinance becomes more restrictive than the Commission-approved SCE NEM program, this ordinance shall be deemed amended to be consistent with and to mirror the NEM program approved by the Commission for SCE without further action required of the County governing Board.

Section 3. SUPERSEDE EXISTING NEM PROGRAM RULES, REGULATIONS AND ORDERS. This ordinance shall be deemed to occupy the field with regard to NEM programs offered by Irrigation Districts to Customer-Generators in the County and shall supersede any existing NEM program rules, regulations, and orders adopted by Irrigation Districts for Customer-Generators in the County.

Section 4. CREDITS. As a part of its NEM program required pursuant to Section 2 of this ordinance, the Irrigation District shall provide participating Customer-Generators with a bill credit for excess generation that is exported to the electric grid during times when it is not serving onsite load. On a month-to-month basis, bill credits for the excess generation are applied to a Customer-Generator's bill at the same retail rate (including generation, distribution, and transmission components) that the Customer-Generator would have paid for energy consumption, according to their otherwise applicable rate structure. At the end of a customer's 12-month billing period, any balance of surplus electricity is trued-up at a separate fair market value, known as net surplus compensation (NSC). The NSC rate is based on a 12-month rolling average of the market rate for energy and is currently approximately \$0.04 to \$0.05 per kilowatt-hour (kWh) pursuant to Commission Decision (D.) 11-06-016.

Section 5. NEM AGGREGATION. As a part of its NEM program required pursuant to Section 2 of this ordinance, the Irrigation District shall also permit NEM aggregation, in which an eligible Customer-Generator elects to aggregate the electrical load from multiple meters, and NEM credits are shared among all property that is attached, adjacent, or contiguous to the generation facility. Properties eligible for NEM aggregation shall be interpreted in the same manner as the Commission has for SCE customers. A Customer-Generator must be the sole owner, lessee, or renter of the properties in order to utilize NEM aggregation. For example, an agricultural customer could use a single solar system to provide NEM bill credits to offset the electrical load from their home as well as from an irrigation pump located on an adjacent parcel.

Section 6. VIRTUAL NET METERING. As a part of its NEM program required pursuant to Section 2 of this ordinance, the Irrigation District shall also offer, as a part of its NEM program, Virtual Net Metering (VNM), a tariff available to multi-tenant properties that enables an owner of such property to allocate a solar system's benefits to tenants across multiple units. The system owner, including but not limited to owners of affordable multifamily properties, shall be permitted to allocate bill credits of a percentage of the solar generation between common load areas and tenants along a multiple service delivery points.

Section 7. INTERCONNECTION FEE. As a part of its NEM program required pursuant to Section 2 of this ordinance, the Irrigation District, consistent with the Commission's rules relating to the Commission's successor NEM tariff program may assess

an one-time interconnection fee, not to exceed seventy-five dollars (\$75) for projects of less than 1 megawatt (MW), and non-bypassable charges on each kilowatt-hour (kWh) of electricity they consume from the grid to fund special programs offered by the Irrigation District, not to exceed 3 cents per kWh. Non-bypassable charges shall be imposed on the same net interval as determined by the Commission.

Section 8. VIOLATIONS AND PENALTIES. It shall be unlawful for any person to violate any provision of this ordinance. Any person violating any provision of this ordinance shall be deemed guilty of an infraction or misdemeanor as hereinafter specified. Such person shall be deemed guilty of a separate offense for each and every day or portion thereof during which any violation of any of the provisions of this ordinance is committed, continued or permitted. Any person so convicted shall be: (1) guilty of an infraction offense and punished by a fine not exceeding one hundred dollars (\$100.00) for a first violation; (2) guilty of an infraction offense and punished by a fine not exceeding two hundred dollars (\$200.00) for a second violation. The third and any additional violations shall constitute a misdemeanor offense and shall be punishable by a fine not exceeding one thousand dollars (\$1,000.00) or six (6) months in jail or both. Notwithstanding the above, a first offense may be charged and prosecuted as a misdemeanor. Payment of any penalty herein shall not relieve a person from the responsibility for correcting the violation.

Section 9. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have adopted the ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, clauses or phrases be declared invalid.

Section 10. EFFECTIVE DATE. This ordinance shall take effect thirty (30) days after its adoption.

Adopted: 3.4 of 07/17/2018 (Effective: 08/16/2018)

REPEALED BY: Ordinance No. 943.1 (Adopted: 3.10 of 06/25/19, Effective 06/24/19)