

Net Billing Connection Agreement for Micro-Generators

CITY OPERATIONS - ELECTRIC
January 2022

Net Billing Connection Agreement for Micro-Generators

In consideration of the City of Medicine Hat Electric (City Electric) Distribution Department agreeing to allow you to connect your generation facility to City Electric distribution system, the City requests that you understand and accept the following terms and conditions:

1 Eligibility

- 1.1 Your generation facility must generate electricity solely from wind, a drop in water elevation, solar radiation, an agricultural bio-mass resource, or any combination of the foregoing.
- 1.2 Micro-generation installations must be preapproved by the City of Medicine Hat. A system size review is required and the installed system size must not exceed the maximum system size as determined by the City's review. System size is based on historic consumption for existing properties and on comparable sites for new construction. Any deviation from the approved system size (watts DC or watts AC) may result in the installation being considered non-compliant, which may delay the installation of the bi-directional meter until the situation is resolved.
- 1.3 The electricity generated by your generation facility must be primarily for your own use.
- 1.4 The microgeneration system must be designed and installed by a qualified installer and system components meet the Canadian Standards Association requirements for electrical safety, or equivalent certification to applicable Canadian standards and must be grid connected in accordance with the Government of Alberta's Micro-Generation Regulation (AR27/2008), as amended from time to time.
- 1.5 The maximum cumulative output capacity of the equipment used to generate electricity shall be based on the rated maximum output capacity of the equipment.

2 Technical Requirements

- 2.1 You agree to have special transfer and isolating capabilities installed on your generation facility if you wish to run it during a power outage affecting City Electric distribution system. You also agree that your generation facility must be disconnected from City Electric distribution system during such an outage.
- 2.2 You have installed an isolation device satisfying the requirements of City Electric and agree that City Electric may operate your isolation device as required for the maintenance and repair of the distribution system.
- 2.3 You agree to have regular scheduled maintenance performed on your generation facility in order to assure that connection devices, protection systems, and control systems are maintained in good working order and in compliance with all applicable laws, statutes, codes, licensing requirements, directives, rules, regulations, protocols, policies, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission, board, court authority or agency.

- 2.4 You agree to meet the requirements as outlined in City Electric – “Micro-Generation / Distributed Energy Resource Interconnection Guide” which is available by visiting the City of Medicine Hat’s website. Additional requirements may be necessary to address unique situations, and microgenerators will be advised of any additional requirements at the appropriate assessment stage.

3 Liabilities

- 3.1 You covenant and agree that the design, installation, maintenance, and operation of your generation facility will not jeopardize the safety and security of both the generation facility and City Electric distribution system. This includes, but is not limited to, automatic disconnection of your generation facility from City Electric distribution system in the event of a power outage affecting City Electric distribution system or any abnormal operation of City Electric distribution system. You acknowledge and agree that the protective relay settings of your generation facility are as specified to corresponding tables 1 to 8 in City Electric – “Micro-Generation / Distributed Energy Resource Interconnection Guide” which is available by visiting the City of Medicine Hat’s website.
- 3.2 You acknowledge and agree that in the event City Electric, in its sole discretion, determines that your generation facility is damaging and/or is producing adverse effects on other City Electric customers or on City Electric distribution system assets, you will disconnect your generation facility immediately from City Electric distribution system and correct the problem at your expense and you will indemnify and save harmless City Electric for all such damages and/or adverse effects. This also applies to overproducing over a 12 month period.
- 3.3 Notwithstanding the generality of Section 3.2, you acknowledge and agree that in cases where your generation facility is connected to a City Electric transformer that you are responsible for and will indemnify City Electric for any and all damage to City Electric equipment caused by the operation of your generation facility.

4 Compensation and Billing

- 4.1 If you purchase electricity from City Electric, you agree that to be billed on a net billing basis, the following applies:
 - 4.1.1 City Electric will not pay for any excess generation that results in a net delivery of energy to City Electric.
 - 4.1.2 Cumulative excess generation can be carried over for each billing period for the duration of this agreement.
 - 4.1.3 You will be billed monthly.
 - 4.1.4 If your net consumption for a billing period is zero, or results in a credit, the delivery portion of your bill will not include kilowatt-hour based charges.

5 Environmental Attributes

- 5.1 The Applicant confirms ownership of any attribute of an environmental or similar nature that is created or otherwise arises from the generation of electricity from solar powered energy. The Applicant further attests that said attributes have not been claimed, sold, or otherwise transferred to another party.
- 5.2 The Applicant consents that the City of Medicine Hat shall be the aggregator of the solar generator with ownership of any attribute of an environmental or similar nature that is created or otherwise arises from the generation of electricity from solar powered energy. As such, the Applicant consents that the City of Medicine Hat shall be allowed access and shall take all steps necessary to provide the City of Medicine Hat access to appropriate tracking data until a time in which operation of the solar generator is permanently suspended.

6 Connection Costs

- 6.1 You agree to pay for the actual cost of modifications and upgrades to the distribution facilities required to connect your generation facility.
- 6.2 City Electric will pay for the cost of the bi-directional billing meter required for the installation.

7 Future Charges and Repayment of Metering Costs

- 7.1 You agree to pay, if required, any current or future charges or tariffs as approved by the City of Medicine Hat City Council with respect to the connection of your generation facility to the City Electric distribution system.

8 Termination

- 8.1 You may terminate this Agreement at any time by providing City Electric with 30 days prior written notice.
- 8.2 You agree that City Electric reserves the right to terminate this Agreement on 30 days prior written notice:
 - 1) if City Electric discontinues the Net billing program; or
 - 2) if you breach a term of this Agreement, and do not remedy the breach within 30 days of receiving written notice from City Electric of the breach.
- 8.3 You acknowledge and agree that upon termination of this Agreement, you must either disconnect your generation facility from City Electric distribution system in a timely fashion and to City Electric satisfaction.
- 8.4 Furthermore, you acknowledge and agree that if this Agreement is terminated, you will not be permitted to return eligible electricity to City Electric for the purpose of being billed on a net billing basis.

8.5 You agree that if the property is sold, this agreement is terminated as of the date of the sale. New owner will be required to complete a new agreement if micro-generation is to be left connected to City Electric Distribution System. It is the responsibility of the current owner to advise City Electric of the pending sale of the property and to advise the new owner of the existence of the micro-generation agreement.

9 General

- 9.1 You agree that this Agreement shall be binding upon you and your heirs, executors, administrators, successors and assigns.
- 9.2 You agree that this Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and any action or proceeding brought to interpret or enforce this contract shall be commenced in the court of Alberta and not elsewhere.
- 9.3 You agree that none of the terms and conditions of this Agreement shall be modified or waived by any agreement or representation of any agent or employee of City Electric unless by prior written authority.

I understand, accept and agree to comply with and be bound by the above terms and conditions governing the connection of my generation facility to City Electric distribution system.

Micro-Generation generating unit owner:

Print Name

Signature

Date Signed