

Resolution No. 2024-502

A resolution of the Gainesville Regional Utilities Authority, a unit of city government of the City of Gainesville, Florida, pursuant to the power and authority of the Authority set forth in the City Charter, providing that Gainesville Regional Utilities shall no longer be subject to Chapter 27, Article II, Section 27-37, "Net-metering," of the City of Gainesville Code of Ordinances; providing for compensation for renewable energy placed onto the utilities' distribution system for newly constructed customer-owned renewable generation systems; providing for the notification to the City Commission of the conflict with existing ordinances; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

WHEREAS, Article VII, 7.03(1)(b) of the Charter of the City of Gainesville, Florida vests the Gainesville Regional Utilities Authority, a unit of city government, with the power to amend the rates, fees, assessments, charges, rules, regulations, and policies governing the sale and use of services provided through the utilities; and

WHEREAS, the GRU Authority passed Resolution 2024-178 on April 17, 2024; and

WHEREAS, in an effort to clarify the intent of Resolution 2024-178, the GRU Authority wishes to repeal Resolution 2024-178 and adopt the instant resolution in its place; and

WHEREAS, notice has been given by posting on GRU's main website at <https://www.gru.com> notifying the public of this proposed resolution and of the public hearing in the GRU Multipurpose Room located on the first floor of the GRU Administration building in the City of Gainesville; and

WHEREAS, a public hearing was held pursuant to the published notice described above, at which all interested parties had an opportunity to be, and were, in fact, heard; and

27 **NOW, THEREFORE, BE IT RESOLVED BY THE GAINESVILLE REGIONAL UTILITIES**
28 **AUTHORITY, A UNIT OF CITY GOVERNMENT OF THE CITY OF GAINESVILLE, FLORIDA AS**
29 **FOLLOWS:**

30 **Section 1.** Gainesville Regional Utilities shall no longer be subject to Section 27-37, “Net-
31 Metering,” of Article II, Chapter 27 of the City of Gainesville Code of Ordinances.

32 **Section 2.** The Gainesville Regional Utilities Authority hereby enacts the following terms
33 and conditions, titled, “Section 27-37. Net-metering,” which will control the operation of the
34 utility system.

35 **Sec. 27-37. Net-metering.**

36 (a) *Intent.* It is the intent of this section to promote the use of customer-owned renewable
37 generation to offset part or all of the customer's electric consumption.

38 (b) *Net-metering program availability.* The net-metering program is only available to the
39 utility system's electric customers who have constructed or are willing to construct
40 customer-owned renewable generation, at no cost to the utility system, and are willing to
41 execute an interconnection agreement in form and substance as provided by the utility
42 system.

43 (c) *Methodology for net-metering calculation.* The methodology for calculating a net-metered
44 customer bill shall be determined by the date on which a customer provided to the utility
45 system a letter of intent to install customer-owned renewable generation.

46 (1) If a customer submitted a letter of intent to the utility system on or before April
47 17, 2024 to construct customer-owned renewable generation, electric energy from the

48 customer-owned renewable generation shall first be used to serve the customer's own
49 load and offset the customer's demand for the utility's electricity. The net of the kilowatt
50 hours used by the customer (residential or nonresidential) less the kilowatt hours exported
51 to the utility's electric distribution system from the customer-owned renewable
52 generation shall be the number of kilowatt hours that the customer is billed at the
53 applicable retail rate. In the event that excess kilowatt hours are exported to the utility's
54 electric distribution system beyond the kilowatt hours used by the customer during the
55 billing cycle, such kilowatt hour balance will carry forward to be netted against kilowatt
56 hours used by the customer during future billing cycles. If, at the end of each calendar
57 year, the customer's account contains a kilowatt hour credit balance, the customer shall be
58 paid the credit at the then-current avoided energy cost. When a net-metering customer
59 leaves the utility's electric system, the net-metering customer's credit balance shall be paid
60 at the then-current avoided energy cost.

61 (2) If a customer submitted a letter of intent to the utility system on or after April
62 18, 2024 to construct customer-owned renewable generation, electric energy from the
63 customer-owned renewable generation shall first be used to serve the customer's own
64 load and offset the customer's demand for the utility's electricity. The customer shall be
65 billed for all energy imported from the utility's distribution system at the applicable retail
66 rate. If the customer-owned renewable generation produces excess energy that is
67 exported to the utility's distribution system, the customer shall in each billing period
68 receive a credit equal to the utility system's current fuel adjustment rate for each kilowatt
69 hour that is provided to the utility's distribution system within that billing cycle. In the

70 event the customer's billing credits exceed the total bill for a billing period, the customer's
71 financial credit balance will carry forward to the next bill. If a customer has a billing credit
72 after a consecutive 12 month period, the customer may request payment from the utility
73 system equal to the credit balance. When a net-metering customer leaves the utility's
74 electric system, the net-metering customer's credit balance, if any, shall be paid to the
75 customer.

76 (d) *Customer charge.* Regardless of whether excess energy is delivered to the utility's electric
77 distribution system, the customer shall pay the applicable customer charge and/or the
78 applicable demand charge for the maximum measured demand during each billing period
79 pursuant to the applicable rate schedules.

80 (e) *Inspection.* All customer-owned renewable generation equipment must be inspected and
81 approved by the utility system prior to its operation and connection to the utility's electric
82 distribution system. Utility system approval of the customer-owned renewable generation
83 is not done for the benefit of the customer and is not a warranty or guarantee, express or
84 implied, of any sort as to the customer-owned renewable generation. The customer is
85 responsible for ensuring that their customer-owned renewable generation is inspected,
86 maintained, and tested regularly pursuant to any manufacturer's recommendations to
87 ensure proper and safe operation of the customer-owned renewable generation
88 equipment.

89 (f) *Gross power rating.* Customer-owned renewable generation gross power rating shall not
90 exceed 90 percent of the customer's electric distribution service rating. In no event shall
91 customer-owned renewable generation greater than two megawatts, at any one

- 92 customer-owned renewable generation site, be allowed to interconnect to the utility's
93 electric distribution system under the net-metering program.
- 94 (g) *Customer-owned renewable generation liability.* The customer is responsible for protecting
95 all customer-owned renewable generation equipment, inverters, protective devices, and
96 any other system components from damage from the normal and abnormal conditions
97 and/or operations that may occur on the utility's electric distribution system in delivering
98 and restoring power.
- 99 (h) *Insurance.* The customer is responsible for maintaining the appropriate levels of general
100 liability insurance for personal and property damage related to customer-owned
101 renewable generation.
- 102 (i) *Indemnification.* The customer shall hold harmless and indemnify the city and Gainesville
103 Regional Utilities Authority, its elected and appointed officials, employees, and/or any
104 third-party city or utility system hired contractors for any and all losses resulting from the
105 customer-owned renewable generation.
- 106 (j) *Islanding.* Customer-owned renewable generation shall not energize the utility's electric
107 distribution system when the utility's electric distribution system is de-energized at the
108 customer's service point. There shall be no intentional islanding, as described in the
109 Institute of Electric and Electronic Engineers (IEEE) Standard 1547, between the customer-
110 owned renewable generation and the utility's electric distribution system.
- 111 (k) *Renewable energy credits.* The customer shall retain any renewable energy credits or
112 certificates associated with the electricity produced by its customer-owned renewable
113 generation.

114 **Section 3.** It is the intention of the Gainesville Regional Utilities Authority that the
115 provisions of Section 2 of this resolution govern in place of conflicting provisions of Chapter 27,
116 Article II, Section 27-37, “Net-metering,” of the Code of Ordinances, City of Gainesville, Florida.
117 To the extent this resolution conflicts with section 27-37 of the Code of Ordinances, City of
118 Gainesville, Florida, per Charter Article VII, 7.10(2), the provisions of this resolution shall
119 govern.

120 **Section 4.** If any word, phrase, clause, paragraph, section or provision of this resolution
121 or the application hereof to any person or circumstance is held invalid or unconstitutional, such
122 finding shall not affect the other provision or applications of the resolution which can be given
123 effect without the invalid or unconstitutional provisions or application, and to this end the
124 provisions of this resolution are declared severable.

125 **Section 5.** All resolutions, or parts of resolutions, in conflict herewith are to the extent
126 of such conflict hereby repealed on the effective date of this resolution. Resolution 2024-178,
127 dated April 17, 2024, is repealed.

128 **Section 6.** The Gainesville Regional Utilities Authority shall notify the City Commission
129 of the conflict between the provisions of this resolution and Chapter 27, Article II, section 27-
130 37, “Net-metering” of the Code of Ordinances of the City of Gainesville, Florida.

131 **Section 7.** The resolution shall take effect immediately upon adoption.

132 **PASSED AND ADOPTED** this 26th day of June, 2024.

133

134 [SIGNATURES APPEAR ON THE FOLLOWING PAGE]

135

136



C. ERIC LAWSON

GRU AUTHORITY CHAIRPERSON

137

138

139

140

141

Attest:

142

143



KRISTEN J. BRYANT

145

CITY CLERK

146

147

Approved as to form and legality:

148

149



150

DANIEL M. NEE

151

CITY ATTORNEY