

APPENDIX
Electric Utilities Act
MICRO-GENERATION REGULATION

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Interpretation

1(1) In this Regulation,

- (a) “bi-directional cumulative meter” means a metering device or devices that measure the total electricity that has flowed in a circuit from one reading date to the next in each of 2 opposite directions, and that store in separate data registers the data respecting the flow of electricity in each direction;
- (b) “bi-directional interval meter” means a metering device or devices that measure the total electricity that has flowed in a circuit during defined intervals in each of 2 opposite directions, and that store in separate data registers the data respecting the flow of electricity;
- (c) “Commission” means the Alberta Utilities Commission;
- (d) “ISO” means the Independent System Operator established under section 7 of the Act;
- (e) “large micro-generation” means, subject to section 3(3), generation of electric energy from a micro-generation generating unit with a total nominal capacity of at least 150 kW but not exceeding 1 MW;
- (f) “load settlement rules” means the rules respecting load settlement established by the Commission pursuant to section 24.1 of the Act as amended from time to time;

- (g) “micro-generation” includes large micro-generation and small micro-generation;
- (h) “micro-generation generating unit” means a generating unit of a customer that
 - (i) exclusively uses sources of renewable or alternative energy,
 - (ii) is intended to meet all or a portion of the customer’s electricity needs,
 - (iii) is, at the time of construction or installation of the generating unit, sized to the customer’s load or anticipated load or a portion of it, as evidenced by a total nominal capacity of the generating unit that does not exceed the rating of the customer’s service,
 - (iv) has a total nominal capacity not exceeding 1 MW, and
 - (v) is located on the customer’s site or on a site owned by or leased to the customer that is adjacent to the customer’s site;
- (i) “micro-generator” means a customer who has provided to the applicable owner a notice in accordance with section 2(1), but does not include a customer whose generating unit has been determined by the Commission under section 2(3) not to be a micro-generation generating unit;
- (j) “net billing” means subtracting electric energy supplied out of a customer’s site during the billing period from electric energy supplied into the customer’s site during the billing period, and calculating a net charge or credit to the customer based on the resulting net usage of electric energy during the billing period;
- (k) “owner” means the owner of an electric distribution system;
- (l) “renewable or alternative energy” means electric energy generated from solar, wind, hydro, fuel cell, geothermal, biomass, or another generation source where the electric energy produced provides a greenhouse gas intensity less than or equal to 418 kg per MWh, and includes

- (i) electric energy generated from products having current EcoLogo certification, and
- (ii) simultaneous generation of electric energy and production of thermal energy from the same fuel source, in which case the greenhouse gas intensity of the total energy produced must be less than or equal to 418 kg per MWh;
- (m) “site” means a customer’s unique end-use service delivery point for electricity services;
- (n) “small micro-generation” means, subject to section 3(3), generation of electric energy from a micro-generation generating unit with a total nominal capacity of less than 150 kW.

(2) In this Regulation, the following words and phrases have the meaning given to them by the Act:

- (a) “customer”;
- (b) “electric distribution system”;
- (c) “generating unit”;
- (d) “interconnected electric system”;
- (e) “load settlement”;
- (f) “market participant”;
- (g) “metering”;
- (h) “pool price”;
- (i) “retailer”;
- (j) “tariff”.

Notice to owner

2(1) A customer who intends to supply electric energy to the interconnected electric system from a micro-generation generating unit shall provide to the applicable owner a notice to that effect, in a form established by the Commission and including all information required by the Commission, specifying the date on

which the customer proposes to commence supplying electric energy to the interconnected electric system.

(2) If an owner, on receipt of a notice under subsection (1), is of the opinion that the customer's generating unit will not qualify as a micro-generation generating unit, the owner may, within 14 days of receipt of the notice from the customer and on notice to the customer, file with the Commission a notice of dispute in a form established by the Commission and including all information required by the Commission.

(3) The Commission, on receipt of a notice of dispute under subsection (2), must, within 30 days or such longer period as the Commission, on notice to the owner and the customer, considers necessary,

- (a) investigate and determine whether the customer's generating unit is or will be a micro-generation generating unit, and
- (b) communicate its decision to the owner and the customer.

(4) The decision of the Commission under subsection (3) is final and is not subject to appeal.

Meters

3(1) Following receipt of a notice under section 2(1), but subject to any dispute by the owner under section 2(2) and determination of the dispute by the Commission under section 2(3), the owner must within a reasonable time ensure that meters suitable for net billing are installed at the customer's micro-generation site.

(2) The meters installed under subsection (1) must be

- (a) in the case of small micro-generation, a bi-directional cumulative meter, and
- (b) in the case of large micro-generation, a bi-directional interval meter.

(3) Notwithstanding subsection (2), but subject to section 9(4), a customer may request for the purpose of small micro-generation a bi-directional interval meter in lieu of a bi-directional cumulative meter, in which case the owner must in a timely manner either

(a) comply with the request without charge to the customer,
or

(b) decline the request with notice to the customer.

(4) If the owner complies with the request of a customer under subsection (3), the customer's micro-generation is deemed to be large micro-generation for the purposes of this Regulation.

(5) If the owner declines the request of a customer under subsection (3), the customer may

(a) agree to pay the owner's reasonable costs of supplying and installing the bi-directional interval meter, in which event the owner must proceed with the installation and the customer's micro-generation is deemed to be large micro-generation for the purposes of this Regulation, or

(b) apply to the Commission for an order requiring that the owner comply with the request without charge to the customer, in which event the Commission may investigate and decide the matter as it considers just.

Connection and operation

4(1) All costs of operation of a micro-generation generating unit, including the costs of complying with applicable laws, must be borne by the micro-generator.

(2) Costs of metering, meter data management and load settlement and, subject to subsection (3), costs of connecting a micro-generation generating unit to the interconnected electric system

(a) are to be borne by the owner,

(b) are costs of the owner for purposes related to the fixing of the owner's rates, and

(c) must be reflected in the owner's rates on the basis that the costs are to be recovered from all customers of the owner.

(3) Where in the opinion of the owner, concurred in by the Commission on application by the owner, the costs of connecting a particular micro-generation generating unit to the interconnected electric system are extraordinary, due to safety considerations, technological complexity or any other reason, the owner may

require that the micro-generator directly reimburse the owner for the extraordinary portion of the costs.

- (4) An owner must, in accordance with the applicable rules established by the Commission,
 - (a) provide meter data management services for micro-generators within its service area, and
 - (b) ensure that the meter data manager provides meter data in respect of micro-generation sites to retailers, load settlement agents and the ISO.

Load settlement

5 Load settlement in respect of electric energy supplied into and out of a micro-generator's site must be conducted in accordance with the Commission's rules made under section 24.1 of the Act.

Exclusion from power pool

6 Section 18(2) of the Act does not apply to electric energy entering the interconnected electric system from a micro-generation generating unit, and subject to section 7(7)(a) such electric energy is not required to be exchanged through the power pool.

Compensation for micro-generation

- 7(1)** A customer must provide notice in writing to the customer's retailer that the customer is or intends to be a micro-generator.
- (2)** This section applies to a retailer only in relation to a customer who has complied with subsection (1).
- (3)** A micro-generator's retailer must act as the market participant and deal with the ISO in respect of the electric energy generated by the micro-generator.
- (4)** The distribution tariff applied to a micro-generation site must be based on the electric energy supplied into the site and must be the same as the distribution tariff that would apply if the customer were not a micro-generator.
- (5)** Unless a micro-generator and a retailer agree in writing to different compensation, a micro-generator's retailer shall credit the micro-generator for electric energy supplied out of the micro-generator's site at the following rates:

- (a) in the case of small micro-generation, at that retailer's retail energy rate;
 - (b) in the case of large micro-generation, at the hourly pool price for each hour in the billing period.
- (6)** For small micro-generation,
- (a) retailers must submit for each micro-generator's site a generation credit summary report to the ISO on a monthly basis listing
 - (i) electric energy supplied out of the site during the relevant month,
 - (ii) the retailer's retail energy rate for the month, and
 - (iii) the total credit, consisting of the amount in subclause (i) multiplied by the rate in subclause (ii),
 - (b) the ISO must
 - (i) compensate retailers for the amount determined under clause (a)(iii), and
 - (ii) recover the amount in subclause (i) through the applicable ISO tariff or fee, as determined by the Commission,
- and
- (c) unless the Commission directs otherwise, load settlement agents are not required to include in load settlement calculations the amount determined under clause (a)(i).
- (7)** For large micro-generation,
- (a) retailers must exchange through the power pool the electric energy supplied out of micro-generators' sites, and
 - (b) the ISO must compensate retailers for the electric energy supplied out of micro-generators' sites through the ISO's financial settlement system.

Billing services

- 8(1)** A micro-generator's retailer must provide net billing to the micro-generator.
- (2)** In any month where a micro-generator's net billing establishes a credit to the micro-generator, the amount of the credit must be carried forward in accordance with subsection (3).
- (3)** Where a retailer carries forward a credit,
- (a)** the credit may be used in the next month only to offset a charge for that month,
 - (b)** the credit may be carried forward for up to 12 months to offset a charge for any month,
 - (c)** successive credits must be applied to offset charges in the order in which the credits were accrued, and
 - (d)** the retailer must, at least once in each calendar year, settle with each micro-generator the unused credits accumulated by that micro-generator in the form of a payment, an offset against any charges owed by the micro-generator or a combination of payment and offset.
- (4)** For the purposes of subsection (3), a charge must be calculated only by reference to charges for electricity, and must not include any charges billed to the customer other than for use of electricity.

Application

- 9(1)** Section 4(4) and sections 6 to 8 apply on and after January 1, 2009.
- (2)** Notwithstanding subsection (1), a customer and the applicable owner and retailer may agree that section 4(4) and sections 6 to 8 apply to that customer's micro-generation on and after a date earlier than January 1, 2009.
- (3)** The Commission must establish forms for the purposes of section 2 not later than July 1, 2008.
- (4)** An owner who receives a notice under section 2(1) must install a bi-directional cumulative meter or a bi-directional interval meter, as the case may be, at the customer's site as soon as reasonably possible in accordance with section 3(1), but is not required to complete the installation earlier than January 1, 2009.

Expiry

10 For the purpose of ensuring that this Regulation is reviewed for ongoing relevancy and necessity, with the option that it may be repassed in its present or an amended form following a review, this Regulation expires on December 31, 2013.