



Wednesday, April 17, 2024, 5:30 p.m.

GRU Administration Building

301 SE 4th Avenue

Gainesville, FL 32601

Authority Members

Craig Carter - Chair

James Coats, IV - Vice-Chair

Robert Karow - Member

Eric Lawson - Member

Vacant

If you have a disability and need accommodation in order to participate in this meeting, please call (352) 334-5051 at least two business days in advance. TTY (Text Telephone Telecommunication Device) users please call 711 (Florida Relay Service). For Speech to Speech (STS) relay, please call 1-877-955-5334. For STS Spanish relay, please call 1-877-955-8773. For STS French Creole relay, please call 1-877-955-8707.

**A. CALL TO ORDER**

Agenda Statement: The Gainesville Regional Utilities Authority encourages civil public speech. The Gainesville Regional Utilities Authority expects each person entering this chamber to treat others with respect and courtesy. Speakers are expected to focus on agenda items under discussion. Signs, props, posters, food, and drinks should be left outside the auditorium.

**B. ROLL CALL**

**C. INVOCATION**

**D. PLEDGE OF ALLEGIANCE**

**E. ADOPTION OF THE AGENDA**

**F. APPROVAL OF MINUTES**

1. **Approval of Minutes from the March 26, 2024 Meeting**

**G. CHAIR COMMENTS**

**H. GENERAL PUBLIC COMMENT**

(for items not on the agenda, not to exceed 30 minutes total)

**I. CONSENT AGENDA**

**J. CEO/GM COMMENTS**

**K. ATTORNEY COMMENTS**

**L. RESOLUTIONS (Roll Call Required)**

1. **2024-178 Resolution Authorizing Changes to Customer-Owned Renewable Generation Policy (B)**

**Department:** GRU/Sustainability

**Description:** Staff will present an overview of GRU's current customer-owned renewable generation policy and recommend changes to that policy.

GRU currently offers a net-metering program for customers that install solar photovoltaic systems. As solar has become much more affordable, participation in the net-metering program has increase significantly, and excess generation from these systems, in conjunction with GRU's current compensation policy for excess generation, has begun to disrupt the balance in rate equity between customers that have solar and customers that do not.

The utility industry is moving away from compensating excess energy from customer-owned renewable generation at full retail rates, and staff recommends that GRU follow this path to provide better rate equity for all customers.

**Fiscal Note:** Changes to GRU's billing system to allow for net billing is expected to cost approximately \$65,000. However, this cost is estimated to be offset by savings within six months.

**Recommendation:** The GRU Authority adopt the Resolution authorizing:

- 1) 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.
- 2) Customers that submit a Letter of Intent to GRU to construct a photovoltaic solar system by April 17, 2024, and meet all requirements set forth in Gainesville Regional Utilities' Interconnection Agreement and Energy Delivery Service Guide, shall be compensated for excess energy delivered to GRU's distribution system as outlined in their Interconnection Agreement.
- 3) Customers that submit a Letter of Intent to GRU to construct a photovoltaic solar system on or after April 18, 2024, and produce excess energy that is delivered to GRU's distribution system, shall in each billing period receive GRU's then-current fuel adjustment rate for each kilowatt-hour that is provided to GRU's distribution system within that billing period.
- 4) GRU shall notify the City Commission of the need to amend conflicting ordinances in accordance with this Resolution.
- 5) This Resolution shall take effect immediately upon adoption.

**M. BUSINESS DISCUSSION ITEMS**

1. **2024-327 AMI Opt Out (B)**

**Department:** GRU/ Energy Delivery

**Description:** GRU began installing Advanced Metering Infrastructure (AMI) in 2021. The AMI project includes installing the next generation of electric, natural gas, and water metering across our entire customer base by the end of 2025. GRU has deployed roughly 120,000 of the 220,000 meters that will be replaced as part of the AMI project.

The benefits of AMI include:

- Obtaining more accurate measurements and billing;
- Quicker response to customers;
- Reduced operational costs;
- Better communications with customers

AMI meters will be our standard meters after 2025. On average, it was estimated that around 70% of U.S. electric customers have AMI meters installed.

There are customers who oppose having AMI meters installed at their homes. There are not standard industry practices for eligibility criteria and program offerings to customers that do not want AMI meters. GRU is proposing a policy to allow single-family customers to opt-out of having AMI meters installed. This will require installing older meters and maintaining a monthly manual reading program for these customers

Customers that choose to opt-out will be charged a one-time setup fee and a monthly charge that will cover the costs of offering an opt-out program. Opt-Out programs will expire when “traditional” analog meters are no longer readily available. The proposed policy provides specific conditions and eligibility criteria for customers choosing to participate in the opt-out program.

**Fiscal Note:** Collect fees and charges to recover costs of offering customers the ability to opt-out of AMI meter program.

**Recommendation:** The GRU Authority approve the AMI meter opt-out policy and incorporate new fees in the resolution adopting GRU’s rates and fees.

**2. 2024-328 GRUA Clerk Position (NB)**

**Department:** CEO/GM Office and External Legal Counsel

**Description:** In light of the establishment of the GRU Authority Board a clerk needed to be selected in order to fill the duties required to manage and facilitate the governing board. Per legal counsel from Folds Walker it would be appropriate to formally recognize the current GRU Authority clerk, Christine Kunkel, as official interim clerk for the GRU Authority, since she is currently serving in that role.

**Fiscal Note:** None at this time.

**Recommendation:** The GRU Authority officially appoint Christine Kunkel as official interim clerk for the GRU Authority Board.

**N. MEMBER COMMENT**

**O. ADJOURNMENT**



**Gainesville Regional Utilities Authority**  
**MINUTES**

**March 27, 2024, 5:30 p.m.**  
**GRU Administration Building**  
**301 SE 4th Avenue**  
**Gainesville, FL 32601**

Members Present: Chair Craig Carter, Vice-Chair James Coats, IV, Robert Karow, Eric Lawson

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**A. CALL TO ORDER**

Chair Carter called the meeting to order at 5:30pm.

**B. ROLL CALL**

**C. INVOCATION**

Chair Carter led the invocation.

**D. PLEDGE OF ALLEGIANCE**

**E. ADOPTION OF THE AGENDA**

**Moved by** Eric Lawson

**Seconded by** Vice-Chair Coats

**Motion:** Adoption of the Agenda

Aye (4): Chair Carter, Vice-Chair Coats, Robert Karow, and Eric Lawson

Approved (4 to 0)

**F. APPROVAL OF MINUTES**

**Moved by** Vice-Chair Coats

**Seconded by** Robert Karow

**Motion:** Approval of the Minutes

Aye (4): Chair Carter, Vice-Chair Coats, Robert Karow, and Eric Lawson

Approved (4 to 0)

**1. Approval of Minutes from the February 21 2024 Meeting**

**G. CHAIR COMMENTS**

Chair Carter shared that the entire GRU Authority Board has resigned but that the board will continue to do its due diligence until their term is complete.

**H. GENERAL PUBLIC COMMENT**

**Public Comment:** Jim Konish, Cheryl Guerra, Angela Casteel, Kim Pope Joy, Winston Bradley, Tom Cunilio

**I. CONSENT AGENDA**

**J. CEO/GM COMMENTS**

The CEO/GM, Tony Cunningham, shared a few updates with the GRU Authority Board.

**K. ATTORNEY COMMENTS**

Attorney, Kiersten Ballou, from Folds Walker, provided several updates to the board.

**L. RESOLUTIONS (Roll Call Required)**

**1. 2024-187 Resolution Authorizing the Issuance of Not to Exceed \$45,000,000 of Utilities System Revenue Bonds, 2024 Series A for the Purpose of Refunding the Outstanding Utilities System Revenue Bonds, 2014 Series A (B)**

The CEO/GM, Tony Cunningham, introduced the item.

The Director of Accounting and Finance for Utilities, Mark Benton, presented the item to the GRU Authority Board.

**Public Comment:** Jim Konish, Chuck Ross

**Item was approved unanimously per a roll-call vote.**

**Moved by** Vice-Chair Coats

**Seconded by** Robert Karow

**Recommendation:** The GRU Authority adopt the Resolution authorizing 1) validation and issuance of the Utilities System Revenue Bonds, 2024 Series A to refund the outstanding 2014 Series A Bonds; and 2) the termination, amendment, or implementation of the Swap.

Aye (4): Chair Carter, Vice-Chair Coats, Robert Karow, and Eric Lawson

Approved (4 to 0)

## **M. BUSINESS DISCUSSION ITEMS**

### **1. 2024-177 Development of GRU Procurement Policy (B)**

The CEO/GM, Tony Cunningham, introduced the item.

The Director of Accounting and Finance for Utilities, Mark Benton, presented the item to the GRU Authority Board.

**Public Comment:** Jim Konish, Kim Pope Joy

**Moved by** Eric Lawson

**Seconded by** Robert Karow

**Recommendation:** The GRU Authority approve (1) the GRU Procurement Policy Revisions and (2) Changes to GRU solicitation documents to establish consistency with Chapter 2023-348, Laws of Florida.

Aye (4): Chair Carter, Vice-Chair Coats, Robert Karow, and Eric Lawson

Approved (4 to 0)

### **2. 2024-188 Legal Services Selection (B)**

The CEO/GM, Tony Cunningham, introduced the item.

The GRU Authority commented, as well as asked questions pertaining to the item.

The Director of Accounting and Finance for Utilities, Mark Benton, presented the item to the GRU Authority Board.

The GRU Authority made some additional comments.



**Motion 1 Public Comment:** Jim Konish, Angela Casteel

**Motion 2 Public Comment:** Jim Konish

**Recommendation:** The GRU Authority accept the recommendation for the Legal Services award to Gray Robinson, P.A. and authorize the CEO/GM to negotiate and execute a contract with Gray Robinson, P.A. to provide legal service to GRU.

Withdrawn

**Moved by** Robert Karow

**Seconded by** Vice-Chair Coats

**Motion 1:** Table the current recommendation and continue to use Folds Walker until more research has taken place and a process has been developed.

Aye (4): Chair Carter, Vice-Chair Coats, Robert Karow, and Eric Lawson

Approved (4 to 0)

**Amendment:**

**Moved by** Robert Karow

**Seconded by** Vice-Chair Coats

**Motion 2:** To extend the time of legal firm Folds Walker until a new firm can be officially hired through an RFP.

Aye (4): Chair Carter, Vice-Chair Coats, Robert Karow, and Eric Lawson

Approved (4 to 0)

**3. 2024-190 Main St. Water Reclamation Facility Capacity and Renewal Upgrade – Phase 1 (B)**

The CEO/GM, Tony Cunningham, introduced the item.

Water Wastewater Officer, Debbie Daugherty, presented the item to the GRU Authority Board.

The GRU Authority inquired about the item.

**Recommendation/Next Steps:** Continue work on Phase 1 construction of Main Street Water Reclamation Facility Capacity and Renewal Upgrade Project at a cost \$50 million. Return to GRU Authority if contract

previously approved increases by more than 10% per Procurement Policy.  
Return to GRU Authority for Phase 2.

Heard

**N. MEMBER COMMENT**

Members spoke to various items related to GRU.

**O. ADJOURNMENT**

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Christine Kunkel, Clerk

**File #:** 2024-178

**Agenda Date:** April 17, 2024

**Title:** 2024-178 Resolution Authorizing Changes to Customer-Owned Renewable Generation Policy (B)

**Department:** GRU/Sustainability

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GRU currently offers a net-metering program for customers that install solar photovoltaic systems. As solar has become much more affordable, participation in the net-metering program has increase significantly, and excess generation from these systems, in conjunction with GRU's current compensation policy for excess generation, has begun to disrupt the balance in rate equity between customers that have solar and customers that do not.

The utility industry is moving away from compensating excess energy from customer-owned renewable generation at full retail rates, and staff recommends that GRU follow this path to provide better rate equity for all customers.

**Fiscal Note:** Changes to GRU's billing system to allow for net billing is expected to cost approximately \$65,000. However, this cost is estimated to be offset by savings within six months.

**Category:** Applying Business Principles.

**Recommendation:** The GRU Authority adopt the Resolution authorizing:

- 1) 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.
- 2) Customers that submit a Letter of Intent to GRU to construct a photovoltaic solar system by April 17, 2024, and meet all requirements set forth in Gainesville Regional Utilities' Interconnection Agreement and Energy Delivery Service Guide, shall be compensated for excess energy delivered to GRU's distribution system as outlined in their Interconnection Agreement.
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- 4) GRU shall notify the City Commission of the need to amend conflicting ordinances in accordance with this Resolution.
- 5) This Resolution shall take effect immediately upon adoption.

# Customer-Owned Renewable Generation Policy Changes

April 17, 2024

- History of Solar Promotion at GRU
- Current Policy
- Current Net Metering Challenges
- Solar Policy Alternatives
- Solar Policies at Other Utilities
- Case Study: JEA
- Next Steps
- Recommendation

## Public Utility Regulatory Policy Act (PURPA)

- Instituted in response to the oil crises of 1970s
- Goals of PURPA were to:
  - Increase energy conservation (to reduce demand)
  - Increase cogeneration and renewable energy
  - Increase use of domestic energy resources
- Required utilities to purchase renewable energy production from qualifying facilities
  - Small renewable generators
  - Cogenerators (those that produce useful steam for another process)

## GRU Solar Policies Over Time

- In response to PURPA, GRU offered to pay avoided cost to excess solar generation
  - PV solar was rare and expensive
- In 2002, GRU began offering rebates to encourage solar installations
- GRU implemented solar Feed-in Tariff program (FIT) in 2009
  - Not behind-the-meter (doesn't offset load)
  - Energy injected into GRU distribution system
  - Capacity was capped
- In 2009, GRU also began offering net metering
- 2014:
  - GRU ended additions to solar FIT
  - GRU ended solar rebates (prices had come down)

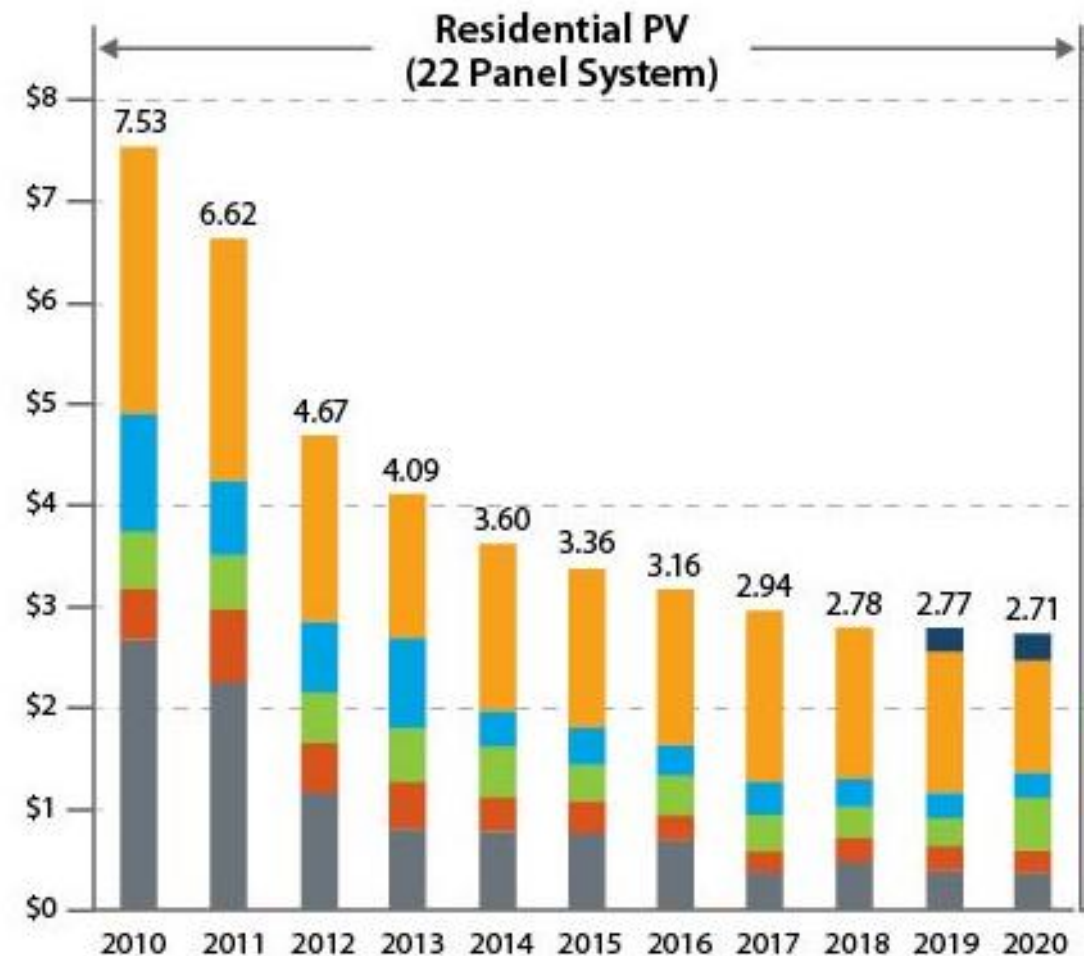
## Full Retail Net Metering

- GRU's electric meter measures how much energy is provided from the grid and how much excess solar energy is pushed to the grid
  - Customer is billed on “net” of these two (grid-provided energy minus excess production)
  - Results in offsetting customer energy costs at the full retail rate
- In each month if there is more excess solar energy than grid-supplied energy, the energy credit rolls forward to offset energy for the following month
- If at the end of the calendar year there is a remaining balance of excess energy, GRU pays for this energy at GRU's avoided cost (\$0.0516/kWh in 2023)
- This model is mandatory in Florida for investor-owned utilities (IOUs), but not for municipal utilities
  - A recent bill backed by IOUs to revamp this law was vetoed by the Governor



## The Solar Market Has Changed

- Solar prices have come down significantly
- Participation has increased to levels disrupting rate equity between participants and non-participants
- Solar is sometimes marketed as a way to “make money,” not reduce energy
- Excess energy is often pushed to the grid when the energy has less value
- Existing net metering structure is outdated



Source: National Renewable Energy Labs

## Recent Surge in Net Metering in GRU Service Area

Year	Installations	MW DC
FY20	116	1.45
FY21	205	2.37
FY22	165	2.03
FY23	424	5.46

	Installations	MW DC
Current Total	1449	20.5

## Alternative Rate for Excess Generation

- With this change:
  - All grid-provided energy is billed at retail rates
  - All excess solar energy is credited at a given rate (for example, the fuel adjustment rate)
- Practice aligns with the way the utility industry is moving
- Improves rate equity for participants and non-participants
- Relatively straightforward change
- Aligns with pecuniary factors and utility industry best practices of HB 1645
- May need to issue 1099s to some customers for purchased energy

## Demand Billing

- Customers pay a demand charge (\$/kW) for the peak amount of power demanded in the billing period
- Sometimes in conjunction with peak demand periods (e.g. 4:00 pm – 8:00 pm)
- Customers are typically provided a lower energy rate (\$/kWh)
- Not a common billing rate for residential customers
- Very common rate for non-residential customers
- More difficult concept for customers to grasp
- Could be useful in the future for helping to shape customers' energy demand

# Solar Policies Around Florida

Solar Policy	Utilities
Net Metering with Full Retail for Excess Energy	IOUs (FPL, Duke, etc.), OUC, Tallahassee
Net Metering with Alternative Rate for Excess Energy	JEA (fuel rate)*, Clay Electric (wholesale rate), Sumter Electric Cooperative (wholesale rate)
Demand Billing	Lakeland

\*Recommended path

# Case Study: JEA's Experience

## Moving from Full Retail for Excess Energy to Fuel Adjustment

- JEA recently moved from paying retail rates for excess energy to paying their fuel adjustment
- Offered generous incentive to install a battery in conjunction with solar (now discontinued)
- Grandfathered existing customers for 20 years
- Did not see significant drop-off in projects
- Faced lawsuit from solar advocacy group who opposed this change (case was dismissed for lack of standing)

## Transition from Full Retail for Excess Energy to Fuel Adjustment

- Current net-metered customers will be grandfathered (current interconnection agreement does not allow for changes to excess generation)
- Revised interconnection agreement allows for change
- GRU's Energy Delivery Service Guide will be updated to reflect this change
- Change in GRU's billing system will have a cost
  - Best estimate is \$65,000; will be offset by savings within six months
  - Billing system changes should be effective by 10/1/2024

# Next Steps

## Move to Paying Fuel Adjustment for Excess Energy for All Future Customers Wishing to Interconnect Solar PV Systems

- Recommend GRU Authority pass a Resolution stating that GRU shall no longer be subject to the net metering ordinance (Chapter 27, Article II, Section 27-37, Net Metering)
- GRU will revise its solar interconnection agreement for all new solar PV customers
  - Also will make updates to insurance requirements for larger (10+ kW) systems to match other Florida utilities
- GRU will compensate excess generation from customer-sited generation with submitted letters of intent for PV systems after 4/17/24 with GRU's then-current fuel adjustment rate (currently \$0.035/kWh)
- GRU will revise customer-facing references for customer-sited generation in GRU's Energy Delivery Service Guide and GRU's website



## Components of Resolution

- **Section 1.** 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.
- **Section 2.** Customers that submit a Letter of Intent to GRU to construct a photovoltaic solar system by April 17, 2024, and meet all requirements set forth in Gainesville Regional Utilities' Interconnection Agreement and Energy Delivery Service Guide, shall be compensated for excess energy delivered to GRU's distribution system as outlined in their Interconnection Agreement
- **Section 3.** Customers that submit a Letter of Intent to GRU to construct a photovoltaic solar system on or after April 18, 2024, and produce excess energy that is delivered to GRU's distribution system, shall in each billing period receive GRU's then-current fuel adjustment rate for each kilowatt-hour that is provided to GRU's distribution system within that billing period.
- **Section 4.** This Resolution shall take effect immediately upon adoption.

## Staff Recommendation

- The GRU Authority adopt the proposed resolution

## Sec. 27-37. - Net-metering.

- (a) *Intent.* It is the intent of this section to promote the use of customer-owned renewable generation to offset part or all of the customer's electric consumption.
- (b) *Net-metering program availability.* The net-metering program is only available to the city's electric customers who have constructed or are willing to construct customer-owned renewable generation, at no cost to the city, and are willing to execute an interconnection agreement in form and substance as provided by the city.
- (c) *Methodology for net-metering calculation.* The net of the kilowatt hours used by the customer (residential or nonresidential) less the kilowatt hours exported to the city's electric distribution system from the customer-owned renewable generation shall be the number of kilowatt hours that the customer is billed at the applicable retail rate. In the event that excess kilowatt hours are exported to the city's electric distribution system beyond the kilowatt hours used by the customer during the billing cycle, such kilowatt hour balance will carry forward to be netted against kilowatt hours used by the customer during future billing cycles. If, at the end of each calendar year, the customer's account contains a kilowatt hour credit balance, the customer shall be paid the credit at the then-current avoided energy cost. When a net-metering customer leaves the city's electric system, the net-metering customer's credit balance shall be paid at the then-current avoided energy cost.
- (d) *Customer charge.* Regardless of whether excess energy is delivered to the city's electric distribution system, the customer shall pay the applicable customer charge and/or the applicable demand charge for the maximum measured demand during each billing period pursuant to the applicable rate schedules.
- (e) *Inspection.* All customer-owned renewable generation equipment must be inspected and approved by the city prior to its operation and connection to the city's electric distribution system. City approval of the customer-owned renewable generation is not done for the benefit of the customer and is not a warranty or guarantee, express or implied, of any sort as to the customer-owned renewable generation. The customer is responsible for ensuring that their customer-owned renewable generation is inspected, maintained, and tested regularly pursuant to any manufacturer's recommendations to ensure proper and safe operation of the customer-owned renewable generation equipment.
- (f) *Gross power rating.* Customer-owned renewable generation gross power rating shall not exceed 90 percent of the customer's electric distribution service rating. In no event shall customer-owned renewable generation greater than two megawatts, at any one customer-owned renewable generation site, be allowed to interconnect to the city's electric distribution system under the net-metering program.
- (g)

*Customer-owned renewable generation liability.* The customer is responsible for protecting all customer-owned renewable generation equipment, inverters, protective devices, and any other system components from damage from the normal and abnormal conditions and/or operations that may occur on the city's electric distribution system in delivering and restoring power.

- (h) *Insurance.* The customer is responsible for maintaining the appropriate levels of general liability insurance for personal and property damage related to customer-owned renewable generation.
- (i) *Indemnification.* The customer shall hold harmless and indemnify the city, its elected officials, employees, and/or any third-party city hired contractors for any and all losses resulting from the customer-owned renewable generation.
- (j) *Islanding.* Customer-owned renewable generation shall not energize the city's electric distribution system when the city's electric distribution system is de-energized at the customer's service point. There shall be no intentional islanding, as described in the Institute of Electric and Electronic Engineers (IEEE) Standard 1547, between the customer-owned renewable generation and the city's electric distribution system.
- (k) *Renewable energy credits.* The customer shall retain any renewable energy credits or certificates associated with the electricity produced by its customer-owned renewable generation.

(Ord. No. 120516, § 2, 8-21-14)

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE GAINESVILLE REGIONAL UTILITIES AUTHORITY, A UNIT OF CITY GOVERNMENT OF THE CITY OF GAINESVILLE, FLORIDA, AUTHORIZING, PURSUANT TO THE POWER AND AUTHORITY OF THE AUTHORITY SET FORTH IN THE CITY CHARTER, STATING 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 COMPENSATION FOR RENEWABLE ENERGY PLACED ONTO GAINESVILLE REGIONAL UTILITIES’ DISTRIBUTION SYSTEM BY CUSTOMER-OWNED RENEWABLE GENERATION; PROVIDING FOR THE NOTIFICATION TO THE CITY COMMISSION TO CHANGE CONFLICTING ORDINANCES; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

**WHEREAS**, the Gainesville Regional Utilities (GRU) allows for customers owning renewable generation to interconnect and operate in parallel with GRU’s electric distribution system;

**WHEREAS**, the City of Gainesville, Florida Code of Ordinances Chapter 27, Article II, Section 27-37 – Net-metering defines the methodology in which excess energy has been compensated and carried forward on bills for customers with renewable generation; and

**WHEREAS**, in accordance with the changes made to the City Charter under House Bill 1645, the Charter of the City of Gainesville, Section 7.03(1)(b), grants the GRU Authority Board the power to “established and amend the rates, fees, assessments, charges, rules, regulations, and policies governing the sale and use of services provided through the utilities”; and

**WHEREAS**, GRU desires to modify its compensation for excess energy placed onto GRU’s electric distribution system from customer-owned generation to allow for greater financial equity for those customers that do not have renewable generation; and

**BE IT RESOLVED** by the Gainesville Regional Utilities Authority, a unit of city government of the City, as follows:

**Section 1.** 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.

**Section 2.** Customers that submit a Letter of Intent to GRU to construct a photovoltaic solar system by April 17, 2024, and meet all requirements set forth in Gainesville Regional Utilities’ Interconnection Agreement and Energy Delivery Service Guide, shall be compensated for excess energy delivered to GRU’s distribution system as outlined in their Interconnection Agreement.

**Section 3.** Customers that submit a Letter of Intent to GRU to construct a photovoltaic solar system on or after April 18, 2024, and produce excess energy that is delivered to GRU’s distribution system, shall in each billing period receive GRU’s then-current fuel adjustment rate for each kilowatt-hour that is provided to GRU’s distribution system within that billing period.

**Section 4.** GRU shall notify the City Commission of the need to amend conflicting ordinances in accordance with this Resolution.

**Section 5.** This Resolution shall take effect immediately upon adoption.

This Resolution approved and adopted this 17<sup>th</sup> day of April, 2024.

**GAINESVILLE REGIONAL UTILITIES  
AUTHORITY**

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Chairman

ATTESTED:

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Authority Clerk

Approved as to Form and Legality:

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Authority Attorney

**GAINESVILLE REGIONAL UTILITIES (GRU)**  
**AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION**  
**OF DISTRIBUTED GENERATION RESOURCES (DGR)**

This **Interconnection Agreement** (“**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (Effective Date), by and between \_\_\_\_\_ (hereinafter called the Owner/Operator) located at \_\_\_\_\_ in Gainesville, Florida and the City of Gainesville, a Florida municipal corporation doing business as Gainesville Regional Utilities (“GRU”). Owner/Operator’s Account pursuant to this Agreement is GRU Account Number \_\_\_\_\_.

This Agreement constitutes the approval of Owner/Operator’s facilities for interconnection with GRU’s electric distribution system and sets forth the conditions required for parallel operation of Owner/Operator’s distributed generation resource. This approval is required in order to provide interconnection of Owner/Operator’s facilities under conditions which will ensure the safety of GRU’s customers and employees, as well as the reliability and integrity of its distribution system. For purposes of this Agreement, the term Distributed Generation Resource (“DGR”) shall be interchangeable with the term “Facility”. For purposes of this Agreement DGR is defined as a renewable generation system and any reference to the “distribution system”. For purposes of this Agreement, any reference to the “distribution system” will mean GRU’s electrical distribution system which GRU operates pursuant to its Charter, as authorized by Chapter 90-394, Laws of Florida, as amended.

**1. SCOPE OF AGREEMENT**

This Agreement defines the terms and conditions under which GRU and Owner/Operator agree to interconnect a specific DGR of \_\_\_\_\_ kW DC or less as more particularly described in Attachment A, attached hereto and made a part hereof by reference as if fully set forth herein, at the specific location as stated above and at a standard GRU primary or secondary voltage to the distribution system.

**2. ESTABLISHMENT OF POINT OF INTERCONNECTION**

- 2.1. The “Point of Interconnection” is defined as the point at which ownership of electric facilities and/or equipment transitions from GRU to Owner/Operator. GRU will evaluate the capability of the existing distribution system and make an initial determination of the feasibility of interconnecting the DGR. If the initial evaluation is inconclusive, a system study may be required to determine the adequacy of the distribution system to interconnect a DGR. Owner/Operator is responsible for all costs for the system impact study and GRU will not approve interconnecting any DGR until the system impact study is completed. GRU reserves the right to disallow the interconnection of the DGR if in its sole discretion the DGR will adversely impact GRU’s distribution system.
- 2.2. Determination of the Point of Interconnection is at GRU’s sole discretion. GRU and Owner/Operator agree to interconnect the DGR at the Point of Interconnection in accordance with GRU’s rules, regulations, rates, and tariffs (the “Rules”) incorporated herein by reference. The interconnection equipment installed by Owner/Operator (“Interconnection Facilities”) shall be consistent with and pursuant to the Rules.

**3. EQUIPMENT AND INSTALLATION STANDARDS**

- 3.1. Owner/Operator must provide written documentation satisfactory to GRU that the design specifications of the DGR, associated inverter, all connecting wiring and disconnect means, control and protective circuits, and any other related equipment adhere to the prevailing versions of the following applicable standards in effect at the time of this Agreement:
  - 3.1.1. IEEE Standard 1547, entitled “Interconnecting Distributed Resources with Electric Power Systems”
  - 3.1.2. UL Standard 1741, entitled “Standard for Safety for Static Inverters and Charge Controllers

for use in Distributed Resources

- 3.1.3. UL Standard 1703 entitled “Standard for Safety: Flat Plate Photovoltaic Modules and Panels
  - 3.1.4. IEEE Standard 1262-1995, entitled “Recommended Practice for Qualification of Photovoltaic Modules” or IEC Standard 61646
  - 3.1.5. IEEE Standard 929 “Recommended Practice for Utility Interface of Photovoltaic (PV) Systems
  - 3.1.6. National Electrical Code.
- 3.2. Owner/Operator agrees that the requirements of this Agreement shall be in effect prior to interconnection of any DGR equipment with the distribution system. It is the responsibility of Owner/Operator to ensure that this condition is satisfied. If a DGR system (or elements thereof) is found to be interconnected to the distribution system without a fully executed Agreement, GRU reserves the right to isolate, secure, and lock out of service the DGR system. If such efforts are not practical or effective, GRU may operate or configure its equipment as necessary to isolate the DGR system from the distribution system.
- 3.3. Owner/Operator agrees that the installer of the DGR will be a licensed Florida Solar Contractor or Florida Electrical Contractor.
- 3.4. Owner/Operator shall provide written certification that the installation of the DGR was permitted and inspected by all local building code officials having jurisdiction over the DGR installation. Owner/Operator shall also provide written certification that the equipment and installation have met all applicable mechanical and electrical code requirements and has been approved by local code officials for operation. Owner/Operator may meet this requirement by forwarding a copy of the final electrical permit and a copy of any necessary construction permit(s) to the GRU representative identified in Section 16 so that it can be attached to this Agreement.
- 3.5. Review of Owner/Operator specifications by GRU shall not be construed as confirming or endorsing the design or any warranty of safety or durability of the DGR.
- 3.6. Owner/Operator shall provide all materials, labor and equipment necessary to deliver the output of the DGR to the Point of Interconnection. Pursuant to GRU’s Energy Delivery Service Guide, Owner/Operator shall install, at Owner/Operator’s sole expense, within ten (10) feet and within sight of the GRU revenue meter, a dedicated DGR disconnect switch. This device shall be manually operated, lockable, and of the visible load break type to isolate the output of the DGR and any Owner/Operator wiring connected to GRU’s distribution system. Owner/Operator shall also be responsible for any and all costs to be incurred by GRU to establish the Point of Interconnection. Payment is required by Owner/Operator prior to execution of such work by GRU. Upon Completion of the DGR project Owner/Operator shall be responsible for any additional distribution system modification cost, if required, to deliver the output of the DGR to the Point of Interconnection not accounted for initially. An additional invoice will be generated and must be paid prior to final interconnection of the DGR. No Facility shall be allowed to deliver energy to GRU until the cost of interconnection is fully resolved. Any deviation from Owner/Operator interconnection requirements must be reviewed and approved in writing by GRU prior to construction.
- 3.6.1. The manual disconnect means shall be mounted on the same wall as the revenue meter, but shall be separate from the revenue meter socket, readily accessible to GRU personnel, and capable of being locked in the open position with a GRU padlock.



- 3.6.2. The disconnect means must be clearly labeled “**Auxiliary Generation Disconnect**” and be readily visible to GRU personnel. The label shall be attached to the disconnect device, and shall be red, weatherproof, hard plastic or Extended-Life vinyl tape with white block lettering (see GRU’s Energy Delivery Service Guide for an example).
- 3.7. The disconnect means shall have an interrupting rating sufficient for the nominal circuit voltage and the current that is available at the line terminals of this equipment.
- 3.8. GRU shall have the right to open the disconnect means isolating the DGR without prior notice to Owner/Operator. To the extent practicable, GRU will make reasonable attempts to provide prior notice to Owner/Operator but assumes no liability if such notice is not given. GRU shall make reasonable efforts to reconnect the DGR to the distribution system as soon as practical following resolution of the issue that required the disconnection. Owner/Operator should take an active interest in ensuring that the DGR is reconnected within a reasonable period of time.
- 3.9. In the event the DGR manual disconnect switch is opened or the DGR is otherwise isolated from the distribution system for any reason and for any expanse of time, Owner/Operator shall not be due any compensation associated with the inability to deliver energy to his/her load or to the distribution system.
- 3.10. When the size of the DGR system precludes the use of Owner/Operator’s service entrance equipment as the connection point, an alternate disconnect means must be designed and provided by Owner/Operator and approved by GRU before installation.
- 3.11. On the GRU revenue meter socket covers the labeling shall state “**Warning: Electric Shock Hazard. The terminals on both line and load side may be energized in the open position**” and be readily visible to GRU personnel. The labels shall be red, weatherproof, hard plastic or extended-life vinyl tape with white block lettering. (GRU’s Energy Delivery Service Guide for an example).

#### 4. OWNER/OPERATOR INSURANCE REQUIREMENTS

- 4.1. Owner/Operator of a Tier 1 system may elect to maintain general liability insurance for personal injury and property damage in an amount of not less than \$100,000. For government entities, the policy coverage shall not exceed the entity’s maximum liability established by law and proof of self-insurance consistent with law shall satisfy this requirement.
- 4.2. Owner/Operator of a Tier 2 system shall maintain in full force and effect, general liability insurance for personal injury and property damage of at least \$1,000,000. For government entities, the policy coverage shall not exceed the entity’s maximum liability established by law and proof of self-insurance consistent with law shall satisfy this requirement.
- 4.3. Owner/Operator of a Tier 3 system shall maintain in full force and effect, general liability insurance for personal injury and property damage of at least \$2,000,000. For government entities, the policy coverage shall not exceed the entity’s maximum liability established by law and proof of self-insurance consistent with law shall satisfy this requirement.
- 4.4. Owner/Operator shall provide a copy of their insurance policy or Certificate of Insurance to GRU. These documents shall become a part of this agreement.
- 4.5. In the event that Owner/Operator fails to maintain the insurance coverage required by this Agreement, GRU has the right to immediately terminate this Agreement, immediately terminate the DGR interconnection and require Owner/Operator to permanently disconnect the DGR from the distribution system. GRU may request proof of insurance at any time.

## 5. LEASE AGREEMENTS

- 5.1. The Owner/Operator shall provide GRU a copy of the lease agreement, as applicable, for any and all leased interconnection equipment.
- 5.2. The Owner/Operator shall not enter into any lease agreement that results in the retail sale of electricity. Notwithstanding this restriction, in the event the Owner/Operator so enters such an agreement, the Owner/Operator may become subject to the Florida Public Service Commission's jurisdiction and may be subject to various fines and penalties.

## 6. METERING REQUIREMENTS

- 6.1. GRU shall solely determine the equipment required to properly and accurately meter the DGR Installation.
- 6.2. Should the nameplate rating of the DGR be 250 kilowatts DC or greater, telemetry and metering equipment shall be installed to provide GRU with DGR monitoring and performance data. The required telemetry and metering equipment shall be installed by GRU at Owner/Operator's expense. Owner/Operator shall also be responsible for the recurring communication costs and maintenance costs of the telemetry equipment. If Owner/Operator so chooses, he shall be solely responsible for supplying the communications link between the telemetry equipment and Owner/Operator's systems for monitoring the operation and performance of the DGR. Should the nameplate rating of the DGR be less than 250 kilowatts DC, the installation of telemetry by Owner/Operator is optional.
- 6.3. The meter socket and all other required metering equipment, if any, shall be provided by Owner/Operator and shall be approved by GRU in advance of installation.

For self-contained revenue metering applications, the meter socket shall have a clearly legible label reading "**Warning: electric shock hazard. Do not touch terminals. Terminals on both the line and load sides may be energized in the open position.**" The labels shall be red, weatherproof, hard plastic or extended-life vinyl tape with white block lettering (see GRU's Energy Delivery Service Guide for an example).

- 6.4. An appropriate electric meter(s) shall be provided by GRU at no cost to Owner/Operator, except as provided in Section 5.2 above.

## 7. INITIAL TESTING, STARTUP AND OPERATION

- 7.1. Initial testing, startup, and operation shall not commence until all construction required by GRU to establish the point of interconnection is completed and final payments are made, pursuant to Section 3.6 of this Agreement.
- 7.2. Upon execution of this Agreement, receipt of all required DGR documentation and fees, including the final building and electrical inspection by the local codes enforcement personnel and upon request by Owner/Operator, an authorized representative of GRU shall survey the DGR installation to ensure operational and interconnection requirement compliance. A successful audit and test may result in an immediate interconnection of the DGR.
- 7.3. In the event that GRU determines, in the exercise of its sole discretion as a result of the above mentioned survey, that the DGR is unacceptable for interconnection, GRU shall provide Owner/Operator written notice of the DGR deficiencies including but not limited to safety and/or reliability risks. Such notice shall include a list of all noted DGR equipment or documentation issues that must be remedied. Owner/Operator shall be solely responsible for correcting all deficiencies and notifying GRU of readiness for another survey and possible interconnection. A failed DGR survey will prevent interconnection until all deficiencies have been remedied.

## **8. METERING AND COMPENSATION FOR EXCESS ELECTRIC ENERGY SUPPLIED TO THE GRU ELECTRICAL DISTRIBUTION SYSTEM BY OWNER/OPERATOR DGR**

- 8.1. GRU shall solely determine the metering equipment required at Owner/Operator location to measure any excess generation produced by the DGR that is delivered into the distribution system if Owner/Operator desires. For the purposes of this Agreement, excess generation is defined as any kWh of electrical energy produced by the DGR which is not consumed by Owner/Operator's electrical requirements and is delivered to the distribution system. The cost of metering equipment, installation, maintenance, and any recurring or non-recurring costs for reading and billing shall be borne by GRU.

Owner/Operator may be provided compensation in accordance with GRU's policies for excess energy delivered into the distribution system. GRU's compensation policy is modified from time to time. Owner/Operator accepts risk of any change to GRU's compensation policy which may affect the economics of the DGR. GRU's compensation policy can be found in GRU's Energy Delivery Service Guide. It is the Owner/Operator's responsibility to review the compensation policy.

- 8.2. In the event that GRU opens the DGR manual disconnect means for any reason for any time period, Owner/Operator agrees that GRU shall have no liability for and shall not pay Owner/Operator for any actual or potential generation that may or could have occurred while the DGR was disconnected from the distribution system.

## **9. GRU'S RIGHTS TO DISCONNECT THE DGR FOR CAUSE**

- 9.1. GRU shall have the right to disconnect Owner/Operator's DGR without notice if GRU determines any of the following conditions have occurred, or are occurring:

9.1.1. Adverse electrical effects (such as power quality problems) imposed upon the distribution system and/or the electrical equipment of GRU's electrical customers attributed to the DGR as determined by GRU.

9.1.2. Utility system emergencies or maintenance requirements.

9.1.3. Hazardous conditions existing on the utility system due to the operation of Owner/Operator's DGR generating or protective equipment.

9.1.4. Failure of Owner/Operator to comply with applicable federal, state or local law, regulation or rules relating to the operation of the DGR.

9.1.5. GRU's identification of un-inspected or unapproved equipment, or modifications to the DGR after initial approval.

9.1.6. Recurring abnormal operation, substandard operation or inadequate maintenance of DGR.

9.1.7 Failing to maintain GRU revenue meter socket cover warning label.

- 9.2. In the event that GRU opens the manual disconnect means for routine meter maintenance, system emergencies, or any other operating consideration, other than events or conditions arising out of Owner/Operator's operation of the DGR, GRU shall make reasonable efforts to reconnect Owner/Operator's generation equipment. This Agreement shall not entitle Owner/Operator to any restoration priority over any other of GRU's customers.

## **10. DGR OPERATION AND MAINTENANCE REQUIREMENTS**

- 10.1. Owner/Operator shall operate and maintain the DGR and all associated equipment in accordance with the manufacturer's requirements and all applicable state or local building codes.

- 10.2. Owner/Operator shall be solely responsible for protecting its generating equipment, inverters, protection devices, and other system components from damage from the normal and abnormal conditions and operations that may occur on the distribution system in delivering or restoring power including temporarily grounding of said system as required for safe work practices.
- 10.3. Owner/Operator shall promptly notify GRU if any modifications, repairs, or component replacements result in a change to the initial configuration, rating, and/or operation of the DGR. GRU shall have the right to audit the DGR prior to its reconnection to the distribution system.
- 10.4. GRU shall have the right to periodically audit the DGR installation to ensure compliance with operational and interconnection requirements.
- 10.5. If during this Agreement, the operation of the DGR adversely impacts the distribution system, Owner/Operator shall be responsible for any and all costs for GRU to remedy these impacts if possible including disconnection.

## **11. RENEWABLE ENERGY CREDITS**

- 11.1. A Renewable Energy Credit (REC) represents the environmental attributes of one thousand kWh (1 MWh) of electricity produced by a renewable resource (i.e., solar). A REC is the commodity used by electric providers to account for their participation in renewal energy programs.
- 11.2. Owner/Operator retains all REC's generated by this DGR facility.

## **12. OWNER/OPERATOR INDEMNIFICATION OF GRU FOR OPERATION OF DGR**

Any fines or any such penalties incurred by Owner/Operator for noncompliance with any Laws, rules, regulations, codes, ordinances, etc. shall not be reimbursed by GRU but shall be the sole responsibility of Owner/Operator. Owner/Operator shall indemnify, hold harmless and defend the City of Gainesville, GRU, its elected officials and employees from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property, including the Facility, in any manner directly or indirectly connected with, or growing out of the installation, operation or maintenance of Owner/Operator's Facility, except in those cases where loss occurs due solely to the negligent actions of GRU. If Owner/Operator is not a single legal entity, then all such entities comprising Owner/Operator shall be jointly and severally liable to for all representations, warranties, obligations, covenants, and liabilities under this Agreement and all other agreements.

## **13. TERM**

This Agreement has a term of 20 years. This Agreement shall automatically renew for additional one-year terms unless either party submits a written termination notice at least 90 days before the end of the current term. In the absence of a termination notice, the Agreement shall be renewed under the same terms and conditions.

## **14. TERMINATION OF AGREEMENT**

- 14.1. In the event that Owner/Operator fails to maintain the insurance coverage required by this Agreement, GRU shall have the right to immediately terminate this Agreement.
- 14.2. GRU may perform periodic inspections and testing of the DGR at such intervals as it may deem proper. In the event that GRU, in the exercise of its sole discretion, determines that the DGR is performing in an abnormal or unsafe manner on a recurring basis, GRU shall have the right to immediately disconnect the DGR and shall provide written notice to Owner/Operator of the issue or deficiency. If after a reasonable time as determined by GRU the issue which caused the disconnection is not remedied to GRU's satisfaction, GRU will terminate this Agreement and provide written notification to Owner/Operator to that effect. Once this Agreement has been terminated,

Owner/Operator will be required to submit a new Application and adhere to the then current process for DGR interconnection.

- 14.3. This Agreement is not transferable or assignable. In the event that the DGR located at the above location is sold, leased, or if ownership is transferred to another person or entity without GRU's prior written consent, this Agreement may be terminated.
- 14.4. Upon termination of this Agreement for any reason, GRU may padlock the manual disconnect means in the open position and may modify or remove any GRU installed metering equipment.
- 14.5. The rights described in this section are supplementary to any rights GRU may have in law or equity arising out of any violation of the terms of this Agreement.

**15. POWER SALES THROUGH GRU**

Interconnection of DGR facilities with GRU's distribution system does not grant Owner/Operator any right to export power to others nor does it constitute an agreement by GRU to wheel excess power.

**16. OFFICIAL NOTIFICATION**

For the purpose of making emergency or other communication relating to the operation of the DGR under the provisions of this Agreement, the parties designate the following for said notification:

**For Owner/Operator:** Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

**For Gainesville Regional Utilities:**  
Solar Coordinator  
Gainesville Regional Utilities  
(352) 393-1460  
DL\_Solar@gru.com

**(Signature page to follow.)**

IN WITNESS WHEREOF, and intending to be legally bound hereby, Owner/Operator and GRU have caused this Agreement to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Owner/Operator: Individual's Name  
or Organization's Title

**The City of Gainesville d/b/a GRU**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: Tony Carroll or designee  
Energy Delivery Officer

Date: \_\_\_\_\_

Approved as to Form and Legality:  
Bianca Lherisson, on April 8, 2024  
Assistant City Attorney II

Owner/Operator Initial \_\_\_\_\_

# Attachment A

## LIST OF FACILITIES SCHEDULES AND POINTS OF INTERCONNECTION

Facility Customer will, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for its facilities, unless otherwise specified on this Attachment A. The following information is to be specified for each Point of Interconnection, if applicable.

### SECTION ONE - Owner Information (to be supplied by applicant)

#### 1. System Owner

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, ZIP \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_  
GRU Account #: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

#### 2. System Installer/Contractor

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, ZIP \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_  
License #: \_\_\_\_\_

#### 3. PV System Specifications

DC Power Rating (Watts) \_\_\_\_\_  
Number of Phases: \_\_\_\_\_  
Mount Type  Roof  Ground Mount  
Cost of System \$ \_\_\_\_\_

**Contractor must submit an Electrical One Line Diagram, Mounting Elevation drawing, a Location site plan (Tier 2 and 3 only) and a solar panel layout (Tier 2 and 3 only) that will be included with this document.**

#### System Size

- Tier 1: 10 kW DC or Less
- Tier 2: Greater than 10 kW DC and less than or equal to 100 kW DC (one-time \$400 application fee charged to utility bill)
- Tier 3: Greater than 100 kW DC and less than or equal to 2 MW DC (one-time \$1,000 application fee charged to utility bill)

**Customer must submit a copy of their Declaration page for their homeowner's insurance or a COI that will be included with this document.**

**Application Fee is non-refundable**

**Failure to Show Fee (\$100) will be applied to the customer account in cases that contractors miss their scheduled Meter Set Appointment and for each subsequent Meter Set Appointment due to failed inspections.**

**Manual disconnect switch must be in the open position until you receive GRU Notification to begin operation of the renewable generating system (except for testing and inspection).**

**File Number:** 2024-327

**Agenda Date:** April 17, 2024

**Department:** Gainesville Regional Utilities

**Title:** 2024-327 AMI Opt Out (B)

**Department:** GRU/ Energy Delivery

**Description:** GRU began installing Advanced Metering Infrastructure (AMI) in 2021. The AMI project includes installing the next generation of electric, natural gas, and water metering across our entire customer base by the end of 2025. GRU has deployed roughly 120,000 of the 220,000 meters that will be replaced as part of the AMI project.

The benefits of AMI include:

- Obtaining more accurate measurements and billing;
- Quicker response to customers;
- Reduced operational costs;
- Better communications with customers

AMI meters will be our standard meters after 2025. On average, it was estimated that around 70% of U.S. electric customers have AMI meters installed.

There are customers who oppose having AMI meters installed at their homes. There are not standard industry practices for eligibility criteria and program offerings to customers that do not want AMI meters. GRU is proposing a policy to allow single-family customers to opt-out of having AMI meters installed. This will require installing older meters and maintaining a monthly manual reading program for these customers

Customers that choose to opt-out will be charged a one-time setup fee and a monthly charge that will cover the costs of offering an opt-out program. Opt-Out programs will expire when “traditional” analog meters are no longer readily available. The proposed policy provides specific conditions and eligibility criteria for customers choosing to participate in the opt-out program.

**Fiscal Note:** Collect fees and charges to recover costs of offering customers the ability to opt-out of AMI meter program.

**Category:** Applying the principles of business to our operations; building customer trust.

**Recommendation:** The GRU Authority approve the AMI meter opt-out policy and incorporate new fees in the resolution adopting GRU’s rates and fees.



# AMI Meter Program – Opt-Out Policy

April 17, 2024



# Key Takeaways

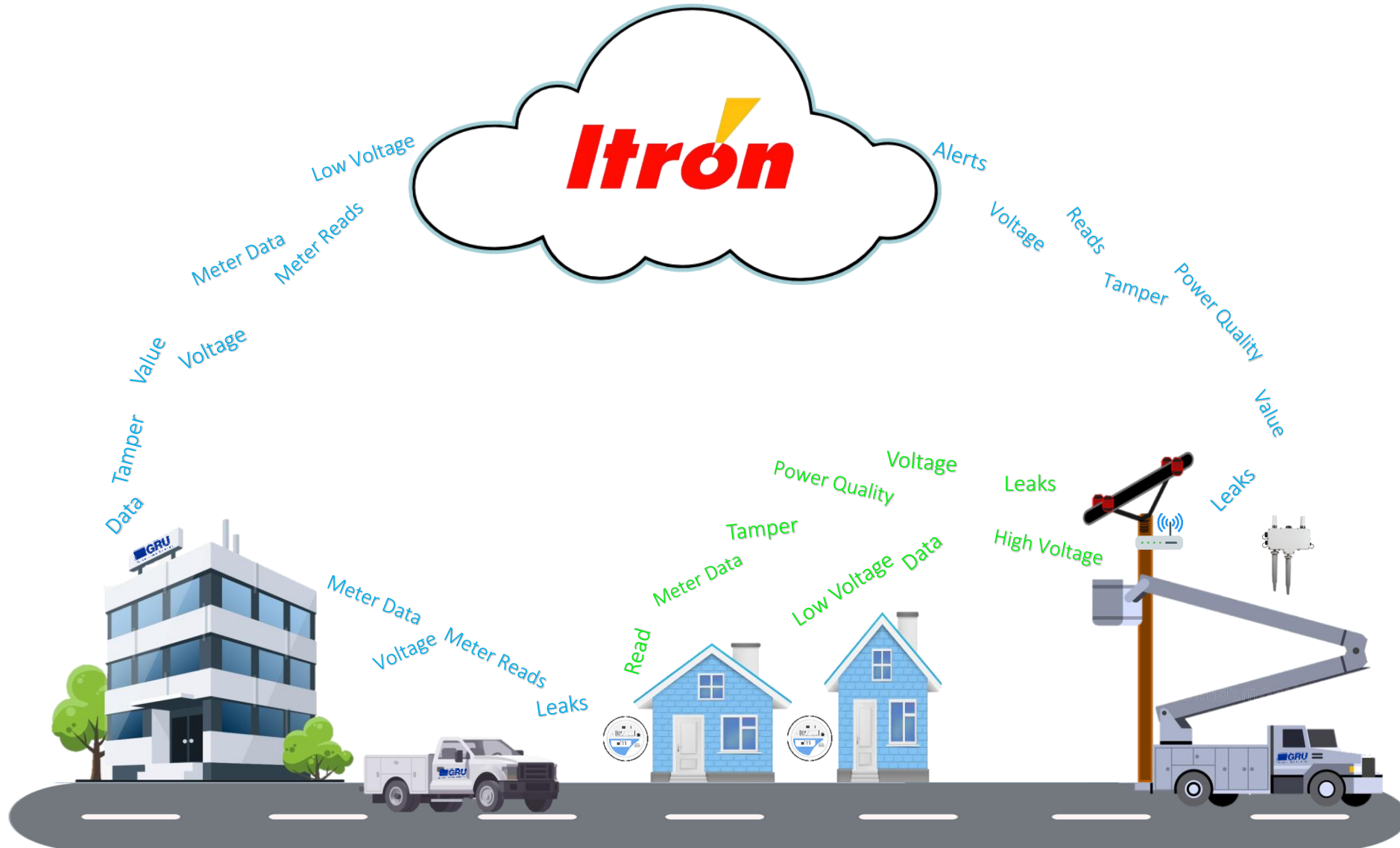
- AMI is next generation meter reading technology and industry best practice
- GRU's AMI project is over 50% complete
- GRU is proposing policy and charges for customer that do not want AMI



## Advanced Metering Infrastructure (AMI) revolutionizes the traditional utility landscape

- **Definition:**
  - Enables two-way communication between GRU and customers' meters.
  - Collects real-time energy usage data, enhancing operational efficiency.
- **Components:**
  - **Smart Meters:** Measure and transmit energy consumption data.
  - **Communication Network:** Facilitates data exchange between meters and GRU.
  - **Data Management Systems:** Stores, analyzes, and utilizes AMI data.
- **Benefits:**
  - **Improved Accuracy:** Accurate measurement and billing.
  - **Enhanced Efficiency:** Quick response and reduced truck rolls.
  - **Customer Empowerment:** Enables monitoring and management of energy usage.

# How it works



## GRU is implementing AMI at a great time

- The first AMI meters were installed in the U.S. in the early 2000s.
- On average, it was estimated that around 70% of U.S. electric customers have AMI meters installed.
- Early adopters of AMI are now planning to replace those meters and systems with newer, more advanced technology.
- In 2021, GRU began installing the next generation of electric, natural gas, and water metering across our entire customer base.

# Deployment Stats

## Current Statistics:

- **Total Meters: 220,000**
  - Electric: 73% complete
  - Water: 37% complete
  - Gas: 44% complete
  
- **AMI Devices Deployed: 120,000**
  - Remote Reading: 116,000
    - Significantly reduces truck rolls for meter reading.
  
- **Completion Timelines:**
  - Electric: Summer 2024
  - Gas: Early 2025
  - Water: Late 2025



# Opt-Out Background

## AMI is the new standard in metering for GRU

- AMI meters will be our standard meters after 2025.
- There are customers who oppose having AMI meters installed at their homes.
- **GRU is proposing to allow customers to opt-out of the AMI meters**
- Itron AMI meters/modules are stringently evaluated for RF safety and meet all Federal Communication Commission (FCC), and Institute of Electrical and Electronic Engineers (IEEE) standards.
  - Limited time on the air
  - Low power
  - Limited proximity to humans



## Opt-out options for advanced metering programs vary among utilities

- Utilities offer opt-out programs to accommodate customers who prefer not to participate in advanced metering initiatives, it's not universal across all utilities.
  - For example, some may offer opt-out options as part of their commitment to customer choice and privacy.
  - While others may prioritize the deployment of advanced metering infrastructure without providing opt-out alternatives.
- The specific terms and conditions of opt-out programs, including associated fees and eligibility criteria, can vary significantly between utilities.
- Many utilities choose to offer opt-out options in response to customer demand and preferences.
- Opt-out programs will expire when “traditional” analog meters are no longer readily available



# Industry Compares

Utility	Utility Type	Opt-Out Fee (Monthly)	Set-Up Fee (One-time)
Clay Electric	Cooperative	\$30.00	\$80.00
Duke	Independent	\$15.60	\$96.34
FPL	Independent	\$13.00	\$89.00
Lakeland Electric	Municipal	\$40.00	\$70.00
SECO (Ocala)	Cooperative	\$40.00	NA
TECO	Independent	\$20.64	\$96.27
<b>GRU Proposed*</b>	<b>Municipal</b>	<b>\$38.00</b>	<b>\$85.00</b>

\* GRU rate based on maintaining a monthly meter reader route for approximately 100 customers. Set-Up Fee is for time required to modify billing system to accommodate opt-out billing.

## AMI Meter Opt-Out

- Account holder must acknowledge the terms and conditions of the program to enroll
- One-time set-up fee of \$85
- Monthly fee of \$38 by premise
- Fees to be increased annually based on Consumer Price Index or cost of service analysis
- Only available to single-family premises in good standing (no non-payments in last 12-months and no record of theft or tampering)
- Must provide access for installation and meter reading
- Program will end when non-standard meters are no longer available from existing stores

## Board Action

- GRUA approve the AMI meter opt-out policy and incorporate new fees in resolution adopting GRU's rates and fees.

## Advanced Metering Infrastructure (AMI) Opt-Out Policy

### Background

In 2020, Gainesville Regional Utilities (GRU) began a formal project to begin installing the next generation of electric, natural gas, and water metering across our entire customer base. This project replaces all legacy electric meters with AMI meters, which have two-way communication capability with GRU offices, utilizing 900 MHz radio frequency. Additionally, all legacy water and gas meters are updated with communication devices, operating on the same radio frequency, and providing two-way communications with GRU offices.

Going forward, electric, natural gas, and water meters, with AMI capability, will be our standard meters. The legacy meters will be referred to as non-standard meters.

While researching and preparing for implementation of this next generation of meter technology, it has been discovered that there may be customers who, for various reasons, oppose having these standard meters installed at their homes.

### Purpose

This policy serves as a mechanism for customers to decline and opt-out of all AMI programs and elect not to have two-way metering technology installed at their home.

### Requirements for Opting Out

- An AMI Opt-Out enrollment form must be filled out and signed by the account holder stating that they understand the fees associated with enrollment in the opt-out program and with the corresponding data limitations.
- Available only for single-family residential premises
  - Administration guideline – Opting out of AMI is NOT available to account holders residing in multi-unit housing structures containing two or more housing units. (A housing unit, as defined by the Census Bureau, is a house, apartment, group of rooms, or single room occupied or intended for occupancy as separate living quarters). The only caveat to this is zero lot line residential units, also known as patio homes. Each patio home is legally recognized as a separate housing unit even though they share common wall(s).
  -
- Must be an account with no more than one instance of disconnection due to non-payment in the most recent 12-month period.
- Account holder must not have any prior circumstances of theft or tampering at their metering locations.

### Fees for Opt-Out Enrollment

- There will be a one-time \$85.00 set-up fee for each time a customer requests to opt-out. The custom can opt-out of multiple services with each request.
- In addition to the one-time exchange fees, there will be a \$38.00 monthly non-standard meter fee to manually read any meter(s) located at the premise.
- Fees will increase annually based on the Consumer Price Index or a detailed cost of service analyses.

#### **Automatic removal from the Opt-Out Program**

- Account holder must maintain no more than one disconnect in the most recent 12-month period to remain eligible. If this amount is exceeded, then GRU may install an AMI meter(s).
- If GRU is unable to obtain access to read the meter(s) at the premise for three consecutive months, GRU may install an AMI meter(s).

#### **Automatic enrollment into the Opt-Out Program**

- If GRU is unable to complete an AMI installation at eligible premises for reasons including but not limited to, locked gates or doors, physical blockages, or unrestrained dogs, GRU will temporarily treat these situations as if the customer has opted out of the AMI program. In this scenario, the customer will be required to pay the monthly non-standard meter fee. However, the customer will have the opportunity to contact GRU within 30 days after the AMI meter opt-out is first assessed and request installation of Advanced Metering. If the customer agrees to the installation within this timeframe, GRU will credit the customer's account the amount of the charge on the next bill.

#### **Customers not eligible to Opt Out**

In addition to the requirements above, the following account holders are not eligible to opt out:

- Participants in GRUs' Solar Initiative
- Accounts with net metering
- Time-of-Use metering
- Commercial customers
- Industrial customers
- Any other rate or customer program that requires advanced metering.

#### **Tracking**

- GRU shall maintain a list of premises and customers who have opted-out of having a standard meter installed and will review the list periodically to determine if an AMI meter may be installed (i.e., customer requesting opt-out has moved).
- GRU shall track the number of customers with an existing AMI meter who request to opt-out of the program.

#### **Availability of Non-Standard Meters**

- After the completion of GRU's Meter Upgrade project, GRU will cease purchasing non-standard meters and won't guarantee their availability in the future.
- GRU will continue to replace and repair non-standard meters as needed until the existing stock is depleted.
- Once the existing stock of non-standard meters is exhausted, customers who require meter repairs or replacements and future customers will not have the option to opt out of standard AMI meter installations.

## ADVANCED METERING INFRASTRUCTURE (AMI) OPT-OUT PROGRAM TERMS AND CONDITIONS

### I. Purpose

Subject to eligibility requirements, GRU customers may “opt-out” of the installation of an AMI meter under this AMI Opt-Out Program. Customers may also elect to have their AMI meter replaced with a non-standard meter.

### II. Participation in the AMI Opt-Out Program

By opting out of the AMI meter, the customer is requesting that GRU either (a) not install an AMI meter at the customer’s residence or (b) remove an AMI meter that is already installed. With either request (a or b), the customer will have a non-standard meter installed at their premise. Because the non-standard meters do not transmit interval usage information, opt-out customers will not have access to their detailed energy usage data or be eligible to participate in any rate or customer program that requires advanced metering. Additionally, a monthly in-person meter reading by GRU or its contractors will be necessary. By having a non-standard meter that requires an in-person visit, the customer must pay applicable meter installation(s) costs and ongoing monthly non-standard meter fees.

### III. Eligibility

A. Available for single-family residential premises.

B. Opting out of an AMI meter is NOT available to account holders residing in multi-unit housing structures containing two or more housing units. (A housing unit, as defined by the Census Bureau, is a house, apartment, group of rooms, or single room occupied or intended for occupancy as separate living quarters). A patio home or “zero lot line” residential units are also legally recognized as separate housing even though they share a common wall.

C. The person requesting to opt-out must be the account holder.

D. Must be an account with no more than one disconnect for non-payment in the most recent 12-month period. The account holder must also maintain no more than one disconnect in the most recent 12-month period to remain eligible for opt-out. If this amount is exceeded, GRU will install an AMI meter at the premise.

E. Customers NOT eligible for opt-out include participants in GRU's Solar Initiative, customer accounts with net metering, time-of-use metering, commercial customers, and industrial customers.

F. Customers may opt-out of individual commodities or all three commodities (electric, gas, or water meters).

G. Customers who have failed to comply with Section 27-26.2 of the City Charter or at any time tampered with GRU meters or meter equipment, resulting in irregular connections, diversion of service, or any other unauthorized service, are not eligible for opt-out.

**IV. Enrollment**

A customer must submit a completed and signed AMI Opt-Out Program Enrollment Form, and pay the fees associated with enrollment in the opt-out program. Customers who refuse to allow installation of an AMI meter must submit an Enrollment Form within thirty (30) days of refusal. Failure to submit the form timely will result in monthly non-standard meter fees charged to their account beginning on the next billing statement.

**V. Fees**

Non-standard meter fee = \$38.00 (monthly)

One-time set up fee of \$85.00 per request to change billing system and install non-standard meter.

Fees will increase annually based on the Consumer Price Index or a detailed cost of service analyses.

**VI. Access**

In order to provide utility services, including maintenance, each customer agrees to provide access to his/her property and GRU meters per GRU Service Standards. If GRU is unable to complete an AMI meter installation at eligible premises for reasons including but not limited to, locked gates or doors, physical blockages, or unrestrained dogs, GRU will treat these situations as opt-outs. In such situations, the customer will be required to pay the monthly non-standard meter fee. GRU reserves the right to install AMI metering if unable to obtain access to the meter(s) for three consecutive months.





**Gainesville Regional Utilities Authority  
Agenda Item Report**

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**File Number: 2024-328**

**Agenda Date:** April 17, 2024

**Department:** Gainesville Regional Utilities

**Title: 2024-328 GRUA Clerk Position (NB)**

**Department:** CEO/GM Office and External Legal Counsel

**Description:** In light of the establishment of the GRU Authority Board a clerk needed to be selected in order to fill the duties required to manage and facilitate the governing board. Per legal counsel from Folds Walker it would be appropriate to formally recognize the current GRU Authority clerk, Christine Kunkel, as official interim clerk for the GRU Authority, since she is currently serving in that role.

**Fiscal Note:** None at this time.

**Recommendation:** The GRU Authority officially appoint Christine Kunkel as official interim clerk for the GRU Authority Board.