

NON-UTILITY GENERATION

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## SECTION 6 - NON-UTILITY GENERATION

- 6.1 Applicability - to the installation of non-utility generation that will be interconnected to SaskPower's grid system.
- 6.2 Net Metering – net metering is available to all metered, non-seasonal customer classes for qualified, non utility, environmentally preferred generation up to and including a total of 100 kW of name plate generation per service, that is installed for the purpose of offsetting the customer's load and banking excess energy. There will be no limit on the number of net metering customers allowed on SaskPower's system.
- 6.2.1 Policy Intent – the intent of the net metering policy is to provide for the safe installation of generation by a customer for the purpose of netting off energy that is produced by the customer against the energy, which that customer has consumed over a specific fixed time period. The generation technology that is eligible for net metering is limited to environmentally preferred technologies, which are made up of wind power, low impact hydro, biomass, flare gas, solar and heat recovery systems.
- 6.2.2 Corporation Investment – the corporation will make no investment towards any of the costs associated with interconnecting a net metering customer's generating facility to the electrical grid system.
- 6.2.3 Net Metering Customer Responsibilities - prior to the interconnection of any generating facility to SaskPower's electrical grid system, the following requirements must be met by the net metering customer:
- a) The generating facility must meet SaskPower's interconnection requirements for safety, protection, and power quality as outlined in the *Non Utility Generation Interconnection Requirements at Voltages 34.5 kV and Below*;
  - b) The generating facility's design and equipment must meet all requirements of the *Electric Service Requirements*, as well as any and all other standards, approvals and certifications and it will be subject to inspection by the Electrical Inspection Branch including all necessary inspection permits and charges;
  - c) The net metering customer will be responsible for all interconnection costs including interconnection studies, appropriate metering to record the energy flow in both directions and any facilities that

SaskPower may have to provide or install, as well as any upgrades necessary to allow the interconnection of the generating unit;

- d) It will be necessary for the net metering customer to enter into the *Interconnection Agreement for Small Generators (100 kW max)* contract with SaskPower;
- e) An operating agreement will be required with SaskPower;
- f) It will be necessary for the net metering customer to supply the excess energy at one of SaskPower's standard supply voltages;
- g) Net metered accounts cannot be on the consolidated billing plan;
- h) Any emissions credits would be granted to SaskPower.

6.2.4 SaskPower Responsibilities - the following requirements apply to SaskPower in terms of the interconnection of a net metering non-utility generation:

- a) SaskPower will allow all excess energy generated and delivered to the grid system to be banked and used to offset energy that was consumed on the same account which the generation is installed. Banked energy cannot be transferred to another account. Accounts that go out of billing will forfeit any banked energy;
- b) Excess energy may be banked for up to a specified fixed period of time. After the specified fixed period of time any excess energy that is not netted off against consumption will be forfeited to SaskPower and the customer will be allowed to begin banking excess energy for the next specified fixed period of time. Any excess energy that is banked will be netted off on the next or subsequent billing periods from the energy consumed by that customer on the account on which the generator is installed. The applicable published rate for the account will be used for net metering accounts;
- c) If necessary, SaskPower will extend and/or upgrade its electrical system, at the expense of the net metering customer, to allow for the interconnection of the non-utility generation.

6.3 Small Power Producers – this program is available to small power producers that install generating units up to and including 100 kW of name plate generation for the purpose of offsetting their load and selling the excess energy to SaskPower or for the sole purpose of selling all of the electricity generated to SaskPower. Only

generation from an approved, environmentally preferred technology is eligible for this program.

- 6.3.1 Policy Intent - the intent of the Small Power Producers' policy is to provide for a standardized method of pricing and interconnection of eligible projects to SaskPower's grid in a safe manner. Generation technologies that are eligible for this program consist of hydro, biomass, flare gas, solar, heat recovery systems and wind. Other technologies will be reviewed for inclusion in this program upon request. SaskPower will receive all environmental credits associated with each project.
- 6.3.2 Corporation Investment - the Corporation will make no investment towards the cost associated with any directly assigned facilities under this program. SaskPower will equally share with the generator the cost of network upgrades to distribution facilities up to a maximum of \$35.00 per kW of installed capacity. No investment will be made towards the cost of any network upgrades to the transmission system under this program.
- 6.3.3 Small Power Producer Responsibilities - prior to the interconnection of any generating facility to SaskPower's electrical grid system, the following requirements must be met by the small power producer:
- a) The generating facility must meet SaskPower's interconnection requirements for safety, protection, and power quality as outlined in the *Non Utility Generation Interconnection Requirements at Voltages 34.5 kV and Below* or the *Non Utility Generation Interconnection Requirements at Voltages 72 kV and Above*, as applicable;
  - b) The generating facility's design and equipment must meet CSA standards, and will be subject to inspection by the Electrical Inspection Branch including all necessary inspection permits and charges. Projects shall adhere to good engineering standards and operating practices;
  - c) The small power producer will be responsible for all interconnection costs that are in excess of any corporate investment, including any interconnection studies, any lines or facilities that SaskPower may have to provide or install, or any upgrades necessary to allow the interconnection of the generating unit;
  - d) The small power producer will be responsible for the metering and billing of any excess energy provided to SaskPower's electrical grid. At the customer's option and expense, SaskPower will supply the necessary metering;

- e) It will be necessary for the small power producer to enter into a Power Purchase Agreement and an Interconnection Agreement contract with SaskPower;
- f) An operating agreement will be required with SaskPower;
- g) It will be necessary to supply the energy at one of SaskPower's standard supply voltages;
- h) The small power producer will be responsible for all permits, licenses and site access approvals.

6.3.4 SaskPower Responsibilities - the following requirements apply to SaskPower in terms of the interconnection of small, non-utility generation:

- a) SaskPower will purchase all energy generated and delivered to SaskPower at a predetermined price. This price will escalate each year at a contacted rate over the life of the contract;
- b) Program pricing will be reviewed on an annual basis and may be modified but modifications will not be retroactive and will not amend executed contracts;
- c) If necessary, SaskPower will extend and/or upgrade its electrical system, at the expense of the small power producer, to allow for the interconnection of the non-utility generation;
- d) Banking of any of the excess energy will not be permitted;
- e) Standby service, if required, will be separately negotiated;
- f) Rebates of the construction charge will be available to any small power producer that has paid a construction charge and is a load customer that uses a portion of the energy that is generated to offset their existing load. The rebate will be applicable to normal construction charges (i.e. excluding charges for optional extras) that are assessed for the extension of permanent electric service. The construction charge is eligible for the rebate, in whole or in part, should the extension be utilized by another load or generation customer within a period of five years from the date of service. The rebate will be calculated on a shared cost of shared line principle proportionate to the individual loads or generation of the new and existing customer. Rebates are not available to small power producers that sell all electricity generated to SaskPower.

- 6.4 Green Options Partners Program – the Green Options Partners Program is available to anyone wishing to interconnect generation to SaskPower’s system for the sole purpose of selling energy to SaskPower. Only generation from an approved, environmentally preferred technology from a minimum of 100 kW to a maximum of 10 MW of nameplate generation per project is eligible for the program.

An annual limit will be established for the total generation that can be added to SaskPower’s system under this program each year, as well as a maximum limit for the total amount of wind generation that can be added to SaskPower’s system. After the maximum system limit for wind capacity is reached, SaskPower will review its system capacity capability to accommodate additional wind generation and a decision will be made whether to allow further wind generation onto the system or to discontinue the eligibility of wind under this program.

- 6.4.1 Policy Intent – the intent of the Green Options Partners Program is to provide for a standardized method of pricing and interconnection of eligible generation projects to SaskPower’s grid in a safe manner. Generation technologies that are eligible for this program consist of hydro, biomass, flare gas, solar, heat recovery systems and wind. Other technologies will be reviewed for inclusion in this program upon request. SaskPower will receive all environmental credits associated with each project.

Contracts will be 20 years in duration, with the exception of contracts pertaining to hydro projects, which may extend up to 40 years.

- 6.4.2 Corporation Investment – the Corporation will make no investment towards the costs associated with any directly assigned facilities under this program. SaskPower will equally share with the generator the cost of network upgrades to distribution facilities up to a maximum of \$35.00 per kW of installed capacity. No investment will be made toward- the costs of any network upgrades to the transmission system under this program.

- 6.4.3 Power Producer Responsibilities – prior to the interconnection of any generating facility to SaskPower’s electrical grid system, the following requirements must be met:

- a) The generating facility must meet SaskPower's interconnection requirements for safety, protection, and power quality as outlined in the *Non Utility Generation Interconnection Requirements at Voltages 34.5 kV and Below*, or the *Non Utility Generation Interconnection Requirements at Voltages 72 kV and Above* as applicable;

- b) The generating facility's design and equipment must meet CSA standards, and will be subject to inspection by the Electrical Inspection Branch including all necessary inspection permits and charges. Projects shall adhere to good engineering standards and operating practices;
- c) The power producer will be responsible for all interconnection costs that are in excess of the corporate investment, including interconnection studies, any lines or facilities that SaskPower may have to provide or install, or any upgrades necessary to allow the interconnection of the generating unit;
- d) The power producer will be responsible for the metering and billing of any excess energy provided to SaskPower's electrical grid. At the customer's option and expense, SaskPower will supply the necessary metering;
- e) It will be necessary for the power producer to enter into a Power Purchase Agreement and a service and supply contract with SaskPower;
- f) An operating agreement will be required with SaskPower;
- g) It will be necessary to supply the energy at one of SaskPower's standard supply voltages;
- h) The power producer will be responsible for all permits, licenses and site access approvals;
- i) It will be necessary for the power producer to provide wind speed data for all wind generators greater than 1 MW and will be responsible for applicable costs related to the preparation of electrical generation forecasts.

6.4.4 SaskPower responsibilities – the following requirements apply to SaskPower in terms of the interconnection of non utility generation:

- a) SaskPower will purchase all energy generated and delivered to SaskPower at a pre-determined price. This price will escalate each year at a contracted rate over the life of the contract;
- b) Program pricing will be reviewed on an annual basis and may be modified but modifications will not be retroactive and will not amend executed contracts;

- c) If necessary, SaskPower will extend and/or upgrade its electrical system, at the expense of the power producer to allow for the interconnection of the non utility generation;
- d) Standby service, if required, will be separately negotiated;
- e) Rebates of construction charges are not provided to proponents of this program;
- f) Perform interconnection studies as required at the expense of the power producers.

<u>Latest Update Date</u>	<u>Section(s)</u>	<u>Pages(s)</u>
1. October 30, 2006	6.3.4 b)	EP6.2
2. October 1, 2007	6.2	EP 6.0 – 6.2
3. January 18, 2009	6.3 & 6.4	EP 6.0 – 6.8