

ORDINANCE NO. 1116

AN ORDINANCE OF THE CITY OF ROBSTOWN, TEXAS, AMENDING THE ROBSTOWN CODE OF ORDINANCES, CHAPTER 13 UTILITIES, ARTICLE 13.03 CITY UTILITIES, DIVISION 2. ELECTRICITY, SECTION 13.03.056, RATES AND CHARGES; BY ADDING PART (G) - DISTRIBUTED GENERATION AVOIDED COST OF GENERATION RATE AND ADDING SECTION 13.03.064, DISTRIBUTED GENERATION, TO ESTABLISH REQUIREMENTS FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION FACILITIES WITHIN THE CITY OF ROBSTOWN UTILITY SYSTEMS AND PROHIBITING INTERCONNECTION AND/OR PARALLEL OPERATION OF DISTRIBUTED GENERATION WITHOUT COMPLIANCE WITH THIS ORDINANCE AND ESTABLISHING PENALTIES FOR FAILURE TO COMPLY PROVIDING FOR A PENALTY OF NOT MORE THAN \$1,000 PER VIOLATION; AND PROVIDING A SEVERABILITY CLAUSE AND EFFECTIVE DATE.

WHEREAS, The City of Robstown, Texas owns and operates an electric distribution utility for the benefit of the citizens of the City, with management and control of the utility governed by its Board of Trustees (RUS Board) pursuant to section 2 of the City's Home Rule Charter; and

WHEREAS, The Public Utility Regulatory Act (PURA), TEX. UTIL. CODE ANN. § 31.005 authorizes and encourages electric utilities, including municipally owned electric utilities, to establish customer-option programs that encourage the reduction of air contaminant emissions, including distributed energy generation technology; and

WHEREAS, PURA, TEX. UTIL. CODE ANN. § 40.055 grants exclusive jurisdiction to, among other things, establish and enforce service quality and reliability standards and consumer safeguards designed to protect retail electric customers, including safeguards that will accomplish the objectives of PURA § 39.101(a) and (b), consistent with PURA Chapter 40; and

WHEREAS, PURA § 39.101 (b)(3) entitles all Texas electric customers to access to on-site distributed generation; and

WHEREAS, applicable to areas of Texas where retail electric choice has been adopted, PURA, TEX. UTIL. CODE ANN § 39.916 authorizes the interconnection and parallel operation of Distributed Renewable Generation with electric utilities, specifies requirements for same, and requires the Public Utility Commission of Texas (PUC) to promulgate rules and regulations for same; and

WHEREAS, The PUC has promulgated rules and regulations regarding the interconnection and parallel operation of Distributed Generation facilities with electric utilities at Title 16, Texas Administrative Code, (P.U.C. SUBST. Rules) 25.211, 25.212 and 25.217, which do not apply to municipally-owned electric utilities absent adoption; and

WHEREAS, Unauthorized, inadequately protected, or substandard Distributed Generation equipment that is interconnected or operated in parallel to the electric distribution system can pose a safety hazard to Robstown Electric Department personnel and to other persons; and

WHEREAS, Unauthorized, inadequately protected, or substandard Distributed Generation equipment that is interconnected or operated in parallel with the electric distribution system can interfere with the quality and reliability of service to other customers; and

WHEREAS, The RUS Board has reviewed the issues related to distributed generation interconnections, wishes to promote the use of renewable sources of energy, and recommends that the City Council approve a comprehensive program to promote distributed generation within the City of Robstown and for customers of the RUS Board; and

WHEREAS, The City Council, after careful consideration of the matter, hereby finds and declares that allowing the interconnection and parallel operation of Distributed Generation facilities within the City of Robstown Utility Systems under carefully controlled and managed conditions to provide for the safety and non-interference with the quality and reliability of service to other customers is in the best interests of the general welfare of the City and its residents; and

WHEREAS, The City Council, after careful consideration of the matter, hereby finds and declares that the requirements and conditions put forth herein for the interconnection and parallel operation of Distributed Generation facilities within the City of Robstown Utility Systems are necessary to protect the health and safety of the City, its employees and residents, are necessary to protect the quality and reliability of the electric distribution system, are equitable, and do not impose an unfair burden on the owners and users of Distributed Generation facilities; and

WHEREAS, the City Council accepts the RUS Board's recommendations for the establishment of the Distributed Generation program, including the establishment of an annual energy rate that the City will reimburse for energy generated by an authorized distributed generation system interconnected to the RUS Board's system and in parallel operation with the RUS Board's system and exports energy to the City;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROBSTOWN, TEXAS:

Section 1. *Recitals.* The City Council finds the above recitals to be true and correct and hereby incorporates said recitals herein as findings of fact.

Section 2. *Avoided Cost of Generation Rate.* Chapter 13, Utilities, Article 13.03, City Utilities, Division 2, Electricity, Section 13.03.056, Rates and Charges, is amended by adding subsection (g) to read as follows:

(g) Distributed Generation Avoided Cost of Generation Rate

- (1) The purpose of this schedule is to set the annual energy rate that the City will reimburse for energy generated by an authorized distributed generation (DG) system that is interconnected to the City's electric system and in parallel operation with the City's system and exports energy to the City.
- (2) Energy exported by a DG system will be measured by a City electric meter on a monthly basis. The City will reimburse customers that export energy to the City based on the City's annual avoided cost of generation from the previous calendar year.
- (3) The formula for calculation of the annual Avoided Cost of Generation Rate (ACGR) is as follows:

ACGR = Annual Generation Costs (from monthly wholesale power invoices) for 12 calendar months in a year / total energy purchases.

Section 3. *Distributed Generation Program.* Chapter 13, Utilities, Article 13.03, City Utilities, Division 2, Electricity, is amended by adding Section 13.03.064, Distributed Generation Program, to read as provided on Exhibit A, attached hereto and incorporated herein as if set forth in full.

Section 4. *Penalty.* The City Council establishes a penalty for any person violating Section 13.03.064 of the Code of Ordinances, adopted herein, by interconnecting distributed generation to the City of Robstown Utility Systems without authorization, including an application and agreement as provided in such section, and, upon conviction, such person shall be guilty of a misdemeanor and shall be fined up to \$1,000.00 per violation, and each day that a violation continues or each occurrence shall be considered a separate offense and punished accordingly. This penalty shall not apply to a customer-owned distributed generation system interconnected to the RUS prior to the effective date of this ordinance, provided an agreement is entered within 180 days of the effective date.

Section 5. *Civil Enforcement.* A violation of Section 13.03.064 of the Code of Ordinances, adopted herein, may be enjoined in a suit filed in the name of the City of

Robstown Utility Systems in court of competent jurisdiction, and this remedy shall be in addition to any penalty that may be sought or imposed.

Section 6. Liability. The provisions of Section 13.03.064 of the Code of Ordinances, adopted herein, shall be liberally construed to effectively carry out its purposes, which are hereby found and declared to be in the furtherance of the public health, safety, and welfare. Any member of the City Council, City official, or employee charged with enforcement, acting for the City in the discharge of his or her duties to include the City of Robstown Utility Systems Board of Trustees and employees of the City of Robstown Utility Systems, shall not thereby render himself or herself personally liable; and is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of said duties.

Section 7. Severability. If any section, sentence, phrase or clause of this Ordinance is declared by a Court of competent jurisdiction to be unconstitutional, invalid or unenforceable, such declaration shall not be deemed to affect the remaining sections, sentences, phrases or clauses of this Ordinance.

Section 8. Effective Date. This Ordinance shall become effective at 12:01 a.m. on the date of final approval upon second reading, as provided by the Charter of the City of Robstown and the laws of the State of Texas.

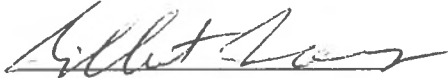
That the foregoing ordinance was read for the First time and passed to its Second reading on this the 20th day of March 2023 with the following votes:

Mayor	Gilbert Gomez	Mayor	<u>"Aye"</u>
Mayor Pro Tem	Mary Ann Y. Saenz	Place No. 1	<u>"Aye"</u>
Council Members:	Nelda Sanchez	Place No. 2	<u>"Aye"</u>
	Cordelia Bosquez	Place No. 3	<u>"Aye"</u>
	Jimmy Morales	Place No. 4	<u>"Aye"</u>
	Joe Carrion	Place No. 5	<u>"Aye"</u>
	Esmi Cueva Limon	Place No. 6	<u>"Aye"</u>

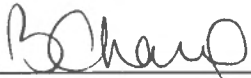
That the foregoing ordinance was read for the Second time and passed FINALLY on this the 17th day of April 2023 with the following votes:

Mayor	Gilbert Gomez	Mayor	<u>"Aye"</u>
Mayor Pro Tem	Mary Ann Y. Saenz	Place No. 1	<u>"Aye"</u>
Council Members:	Nelda Sanchez	Place No. 2	<u>"Aye"</u>
	Cordelia Bosquez	Place No. 3	<u>"Aye"</u>
	Jimmy Morales	Place No. 4	<u>"Aye"</u>
	Joe Carrion	Place No. 5	<u>"Aye"</u>
	Esmi Cueva Limon	Place No. 6	<u>"Aye"</u>

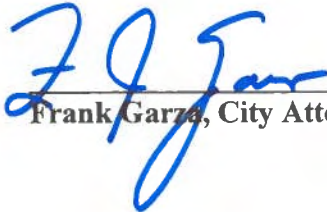
PRESENTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ROBSTOWN, TEXAS THIS 17th DAY OF APRIL 2023.


Gilbert Gomez, Mayor

ATTEST:


Beatriz Charo, City Secretary

APPROVED AS TO FORM:


Frank Garza, City Attorney - Special Counsel

