

**NOTICE OF ADOPTION
AMENDMENT TO THE CITY OF MILFORD ELECTRICAL STANDARDS
CHAPTER 119-ORDINANCE 2008-11**

NOTICE IS HEREBY GIVEN the following Ordinance was adopted by Milford City Council in regular session on July 14, 2008:

Chapter 119-Electrical Standards

The City of Milford hereby ordains as follows:

Section 1.

An Ordinance to Amend the Code of the City of Milford, Chapter 119, thereof, entitled Electrical Standards, for the purpose of implementing a Net Metering Service Policy.

Section 2.

Chapter 119, Impact Fees, is hereby amended by adding a new Section, Net Metering Service, to read as follows:

**Net Metering Service
“NMS”**

AVAILABILITY

This rider is available to customers served under the following service classifications, Residential “RES” and Small General Service “SGS”. The primary intent of this installation is to offset part or all of the Customer’s electricity requirements. Capacity cannot be more than 25 kilowatts for residential customers and 500 kilowatts for non-residential customers. The primary source of fuel must be solar, wind, hydro, or another approved source of renewable energy. This rider is applicable to generation interconnected and operated in parallel with the City of Milford transmission and/or distribution facilities. Application for the installation of any generation system in excess of 25 kilowatts shall be made under a special contract.

Any customer who elects this rider must apply by filling out the Generation Interconnection Application at least 60 days in advance of the proposed activation date. Approval of the application by the City must be granted prior to activation the electric generation facility.

CONNECTION TO THE CITY’S SYSTEM

The electric generation system cannot be connected to the City’s system unless it meets all applicable safety and performance standards set forth by the following: The Technical Considerations Covering Parallel Operations of Customer Owned Generation of 25 kW or Less dated January 1, 2007, National Electric Safety Code, Underwriters Laboratories, and the City of Milford Electric Service Handbook. The Customer must, at his/her expense, obtain any and all necessary permits, inspections, and approvals required by any local public authorities and any other governing regulations in effect at that time.

DELIVERED VOLTAGE

The delivered voltage and delivery point of the Customer’s electric generation shall be at the same delivered voltage and delivery point that would be supplied by the City if the Customer purchased all of its electricity from the City.

CONTRACT TERM

The contract term shall be the same as the Customer's applicable rate tariff.

RATE

The monthly billing shall be as stated in the applicable rate tariff. Under this rider, only the per kWh charge for electricity delivered by the Customer is affected. The Customer will pay for all kWh delivered by the City of Milford. If the Customer has delivered electricity to the City system, a credit will be issued to the Customer for the kWh delivered at the City's current wholesale rate. The City will provide for customers to be credited in kilowatt hours valued at an amount per kilowatt hour equal to the sum of delivery service charges and supply service charges for residential customers, and the sum of the volumetric energy (kWh) components of the delivery service charges and supply service charges for non-residential customers for any excess production of their generating facility that exceeds the customer's on-site consumption of kWh in a billing period. Excess kWh credits shall be credited to subsequent billing periods to offset a customer's consumption in those billing periods until all credits are used or until the end of a 12-month period, ending either December 31 or July 31 to be chosen at the discretion of the customer. If a customer does not choose a date, the City will default a date of December 31. Any unused credits at the end of the 12-month period shall be forfeited to the City at the City's avoided cost of wholesale power, which means the average locational marginal price of energy in the City's transmission zone, for use solely to augment existing funding for the Green Energy Fund. Any excess kWh credits shall not reduce any fixed monthly customer charges imposed by the City. The customer-generator retains ownership of renewable energy credits (REC) associated with electric energy produced and consumed by the customer-generator. RECs associated with NEG convey to the City.

METERING

An electric meter service will be installed at the Customer's location to measure the energy consumed and the energy delivered to the City system. The City will furnish, install, maintain, and own all metering equipment. Cost will be determined under the Additional Costs and Responsibilities clause below.

ADDITIONAL COSTS AND RESPONSIBILITIES

The Customer will be required to pay for any additional transmission and distribution costs, the cost of metering, transformation, system protection, and any related safety/protective equipment in excess of what would normally be paid for by the City. Protective equipment will be installed by the Customer to provide safety for personnel, provide adequate protection for the City's electric utility system and to the Customer's property, and to prevent any interference with the City's supply of energy to other utility customers. This equipment will be owned, installed, and maintained by the Customer.

FAILURE TO COMPLY

The City may disconnect the Customer's service from the City's electric system if the Customer fails to comply with any of the stipulations of this rider, The Technical Considerations Covering Parallel Operations of Customer Owned Generation of 25 kW or Less dated January 1, 2007, National Electric Safety Code, Underwriters Laboratories, the Generator Interconnection Application and the City of Milford Electric Service Handbook.

RULES AND REGULATIONS

The General Rules and Regulations of the City of Milford for electric service shall apply to service

rendered under this service classification. All minimum billings, charges for kWh, kW, Purchased Power Adjustment, Public Utility Tax, Renewal Energy Charge, etc. will be covered under the applicable rate tariff.

If the total generating capacity of all customer-generation using net metering systems served by the City exceeds 1 percent of the capacity necessary to meet the City's aggregated customer monthly peak demand for a particular calendar year, the City may elect not to provide net metering services to any additional customer-generators.

Section 3.

Adoption Date: July 14, 2008

Effective Date: July 24, 2008

A complete copy of the City of Milford Tariff is available by request through the City of Milford Electric Department, Public Works Facility, 180 Vickers Drive, Milford, Delaware, 19963.

By: Terri K. Hudson, CMC

07/15/08