RESOLUTION NO. 15-2019 OF THE CITY OF LAKE WORTH BEACH, FLORIDA, ADOPTING A MORATORIUM ON ALLOWING NEW PARTICIPANTS IN THE CITY'S NET METERING PROGRAM FOR CUSTOMER-OWNED RENEWABLE GENERATION IN ORDER TO BRING THE PROGRAM INTO COMPLIANCE WITH STATE LAW; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the City of Lake Worth, Florida (the "City") is a duly constituted municipality having such power and authority conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, pursuant to section 366.91(6), Florida Statutes, the City is required to develop a standardized interconnection agreement and net metering program for customer-owned renewable generation;

WHEREAS, since approximately 2009, the City has developed and maintained a Net Metering program for its residential and commercial electric utility customers (the "Program");

WHEREAS, the Program has been re-adopted each year in the City's annual rate resolution governing the Electric Utility with the most recent adoption being Resolution No. 71-2018;

WHEREAS, even though the Program has been in existence since approximately 2009, there is no record of the City developing and adopting an interconnection agreement for the Program as required by section 366.91(6), Florida Statutes;

WHEREAS, commonly used interconnection agreements for Net Metering programs in Florida typically include provisions which serve to limit the size of customerowned generation systems (e.g., governed by tier limitations); ensure that customerowned equipment is certified for continuous interactive operation with the electric utility's distribution system and in a manner that does not jeopardize the safety of utility personnel/members of the public; require on-going periodic inspections to ensure the systems are maintained in accordance with manufacturers' instructions; and, ensure the systems have correct disconnect switches and are not modified without prior approval of the utility;

WHEREAS, commonly used interconnection agreements for Net Metering programs in Florida also typically include provisions which indemnify the utility; limit the utility's liability and place insurance requirements on larger-sized systems;

WHEREAS, since the City's Electric Utility service area extends outside the City's municipal boundaries, the City's interconnection agreements also need to address a

process for those Program participants who would have their renewable-generation systems permitted by another agency (e.g., Palm Beach County or the Village of Palm Springs);

WHEREAS, without the required interconnection agreements the City is not in compliance with Florida law and does not have any contractual provisions to protect and/or limit the City's and/or the City's Electric Utility system from risk under the Program;

WHEREAS, in order for the City to adopt the interconnection agreements, City staff needs time to prepare such agreements, evaluate the proposed agreements consistent with best practices, obtain approval of the agreements and have all current Program participants execute the same;

WHEREAS, a temporary moratorium of four (4) months on new Program participants after the effective date of this Resolution will allow City staff a sufficient period of time to prepare, evaluate, obtain approval of and implement the required interconnection agreements for the Program;

WHEREAS, while the current Program participants will be required to sign the adopted interconnection agreements, the City wants to maintain the status quo of the Program for the current Program participants until the interconnection agreements are adopted;

WHEREAS, the City Commission finds this moratorium imposes a reasonable duration intended to give the City time to have the interconnection agreements prepared, adopted and executed for the Program; and

WHEREAS, the City Commission finds this resolution serves a valid public purpose and is in the best interest of the public health, safety and general welfare of the City and its Electric Utility.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH BEACH, FLORIDA:

Section 1. Findings and Declarations: The City Commission finds and declares that:

- 1. All of the recitals set forth above are true and correct statements and are the legislative findings of the City Commission.
- 2. It is in the City's interest, the public interest and required by law for the City to develop and adopt interconnection agreements for the City's Net Metering Program and for all participants to execute the same.
- 3. There is an immediate need to adopt a moratorium on the allowance of new Net Metering Program participants until the adoption and execution of interconnection agreements.

<u>Section 2</u>. <u>Intent</u>. It is the intent and purpose of this resolution to protect the health, safety, and general welfare of the City of Lake Worth Beach; to provide for the City's compliance with section 366.91(6), Florida Statutes; and, to maintain the current status of the City's Net Metering Program until the adoption of the interconnection agreements and execution by all current Net Metering Program participants.

Section 3. Moratorium imposed; applicability. The City Commission hereby imposes a moratorium upon the allowance, acceptance, authorization and/or entrance of new participants in the City of Lake Worth Beach Net Metering Program for a period of four (4) months from the effective date of this resolution in order to facilitate the development, adoption and execution of interconnection agreements. The moratorium will not apply to current Net Metering Program participants or the City's Electric Utility customers who have submitted a written application to their applicable permitting agency with all necessary building plans to authorize the installation of a renewable generation system as of April 30, 2019. During the effective period of this resolution, all other resolutions of the City of Lake Worth Beach or portions thereof in conflict with this resolution are declared to be suspended to the extent of such conflict. This resolution shall be applicable to all customers of the City of Lake Worth Beach Electric Utility including all such customers within the City of Lake Worth Beach's Electric Utility service area and any other customer seeking service from the City of Lake Worth Beach Electric Utility. This Resolution shall be provided to Palm Beach County and the Village of Palm Springs to make those permitting agencies aware of the temporary moratorium on new participants in the City's Net Metering Program.

<u>Section 5</u>. <u>Term</u>. The moratorium imposed by this resolution is temporary and, unless dissolved earlier by the City Commission, shall automatically dissolve in four (4) months from the effective date unless extended. This moratorium may be reasonably extended, if necessary, by resolution of the City Commission.

<u>Section 6</u>. <u>Early termination</u>. The moratorium imposed by this resolution may terminate prior to its four (4) month period upon passage of a resolution adopting the interconnection agreements and timeframe for execution by the current Net Metering Program participants, provided:

- 1. Specific language terminating the moratorium is contained within said enacted resolution; or
- 2. The passage of resolution providing for the termination of the moratorium by the City Commission.

<u>Section 7</u>. <u>Recommendations for Interconnection Agreements</u>. City staff is hereby directed to research, develop and draft appropriate interconnection agreements for the City's Net Metering Program with such recommended agreements being delivered to the City Commission for consideration.

<u>Section 8</u>. <u>Severability</u>. If any section, subsection, sentence, clause, phrase or portion of this resolution is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

<u>Section 9</u>. <u>Effective Date</u>. This resolution shall become effective upon its passage.

The passage of this resolution was moved by Commissioner Maxwell, seconded by Vice Mayor Amoroso as amended, and upon being put to a vote, the vote was as follows:

Mayor Pam Triolo	AYE
Vice Mayor Andy Amoroso	NAY
Commissioner Scott Maxwell	NAY
Commissioner Omari Hardy	AYE
Commissioner Herman Robinson	AYE

The Mayor thereupon declared this resolution duly passed and adopted on the 30th day of April, 2019.

LAKE WORTH BEACH CITY COMMISSION

y: _____

ATTEST:

Deborah M. Andrea, City Clerk