



## Legislation Text

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**File #:** 0177X-2009, **Version:** 1

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### Explanation

It is necessary under the Energy Policy Act of 2005 ("EPAct") and Energy Independence and Security Act of 2007 ("EISA") for the City of Columbus, Department of Public Utilities, Division of Power and Water, to consider adopting nine federal standards relating to conservation of energy, optimal efficiency and diversification of energy resources, and opportunities for customers to manage their energy usage and provide a written determination of its decision after a public hearing process.

### Fiscal Impact

This Resolution does not require the expenditure of any City funds.

To consider adoption of PURPA Standards Pursuant to the Energy Policy Act of 2005 and Energy Independence and Security Act of 2007.

**WHEREAS**, the Energy Policy Act of 2005 ("EPAct") and Energy Independence and Security Act of 2007 ("EISA"), which amended the Public Utilities Regulatory Policies Act of 1978 ("PURPA"), require non-regulated electric utilities that have total annual retail electric sales greater than 500 million kilowatt-hours to consider adoption of a total of nine PURPA standards relating to: (1) integrated resource planning; (2) rate design modifications to promote energy efficiency investment; (3) smart grid investment; (4) smart grid information; (5) net metering; (6) generation fuel diversity; (7) fossil fuel generation efficiency; (8) time-based metering and communications; and (9) interconnection of distributed generation; and

**WHEREAS**, the City of Columbus' Department of Public Utilities, Division of Power and Water ("Department"), is a non-regulated electric utility with annual retail electric sales greater than 500 million kilowatt-hours, and has generally followed the federal legislation's procedures for considering the nine PURPA standards, providing the public with an opportunity to be heard, undertaking a public hearing process and placing additional information on the City's website requesting public input, intervention and comments; and

**WHEREAS**, the City of Columbus Council initiated the process to consider the nine standards in response to a letter from the Department of Public Utilities dated December 18, 2008; and

**WHEREAS**, as part of its consideration, the City was required to convene a public hearing and issue a final determination, in writing, based upon the evidence presented in the hearing process, and upon findings specifically included in its written determination, and thereafter, make that final determination available to the public; and

**WHEREAS**, to commence the public hearing process, the City issued a Notice of Request for Comment on September 11, 2009, through posting on the Department's website, with written comments on the City's potential adoption of the nine PURPA standards due from the public on September 25, 2009, and reply comments due on October 9, 2009;

**WHEREAS**, also on September 11, 2009, the Department Staff offered Initial Comments on its views of the potential adoption of the proposed standards, which were posted on the Department's website for public consideration; and

**WHEREAS**, as set forth in the Department Staff's Initial Comments, the Department, as a municipal electric utility with limited ownership and control of electric generation resources, is circumscribed in its ability to adopt and follow the PURPA standards related to integrated resource planning, generation fuel diversity and fossil fuel generation efficiency; and

**WHEREAS**, as further set forth in the Department Staff's Initial Comments, the Department's pre-existing power purchase arrangements, which provide the Department with reasonably priced and reliable power to serve its customers, limit the Department's ability to adopt and follow the PURPA standards regarding smart grid investment, smart grid information, net metering, time-based metering and communication, and interconnection of distributed generation; and

**WHEREAS**, the Department Staff's Initial Comments further explained that the City is already following policies and taking actions that are consistent with the PURPA standard regarding rate design to promote energy efficiency investment; and

**WHEREAS**, the Department received no comments on the City's consideration of the adoption of the aforementioned PURPA standards from any member of the public or the recommendations set forth in the Department Staff's Initial Comments;

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the City of Columbus has complied with the requirements of the Energy Policy Act of 2005 and Energy Independence and Security Act of 2007 with regard to the consideration of the PURPA standards.

**SECTION 2.** That, for the reasons stated in the preamble hereto, which is hereby made a part hereof, the public interest is not served by the City adopting the aforementioned PURPA standards and, where the City has previously and independently enacted policies consistent with the PURPA standard on rate design, no additional degree of implementation is necessary or desirable.

**SECTION 3.** The City of Columbus shall cause this final determination to be made available to the public by publication in the City Bulletin.

**SECTION 4.** That this resolution shall take effect and be in force from and after the earliest period allowed by law.