RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES **DATE: AUGUST 24, 2026**

<u>SUBJECT</u>: DOMESTIC ELECTRIC VEHICLE SEPARATELY METERED RATE CLOSURE TO NEW CUSTOMERS, REMOVAL OF PROGRAM CAP FOR SELF GENERATION PROGRAM FOR RENEWABLE ELECTRIC GENERATION FACILITIES, AND UPDATES TO ELECTRIC RULE 11, ELECTRIC RULE 12 AND ELECTRIC RULE 13

<u>ISSUE</u>:

Consider recommending that the City Council approve closing the Domestic Electric Vehicle Separately Metered Rate Schedule (EV) to new customers, removal of program cap of the Self Generation Program for Renewable Electric Generation Facilities Rate Schedule (Self-Gen), and updates to Electric Rule 11, Electric 12, and Electric Rule 13.

<u>RECOMMENDATIONS</u>:

That the Board of Public Utilities:

1. Conduct a public hearing to receive public input related to the proposed Schedule (EV) closure to new customers; remove program cap from Schedule (Self-Gen); and updates to Electric Rule 11, Electric Rule 12, and Electric Rule 13; and

2. Adopt a resolution establishing the closure of the Schedule EV to new customers, removal of program cap of the Schedule Self-Gen, and updates to Electric Rule 11, Electric Rule 12, and Electric Rule 13.

That the Board of Public Utilities recommend that the City Council:

1. Adopt a resolution approving the closure of Schedule EV to new customers, removal of program cap of Schedule Self-Gen, and updates of Electric Rule 11, Electric Rule 12 and Electric Rule 13.

<u>BACKGROUND</u>:

<u>Schedule EV:</u>
On May 22, 2018, the City Council approved Electric Five-Year Rate Plan for fiscal years 2018/19 through 2022/23 with the first year of electric rates effective January 1, 2019. The Electric Five-Year-Rate Plan included the new Electric Schedule EV Domestic Electric Vehicle Separately Metered (Schedule EV) rate, also effective January 1, 2019.

Schedule EV is an optional time of use rate specifically for residential customers to meter qualified

EV charging separately from their household energy consumption. This rate option allows residents to have their household energy consumption remain on a standard domestic electric rate while the EV charging is separately metered and billed based on time of use pricing under Schedule EV. The off-peak pricing, under Schedule EV, encourages residential customers to charge their EVs in the off-peak period late at night and in the early morning when the system load is lower and there is a lower demand on the electric distribution system.

<u>Self-Generation:</u>

On June 12, 2002, the City Council adopted Schedule Net Energy Metering for Renewable Electrical Generation Facilities (Schedule NEM) which became effective on July 1, 2002, for eligible customer generators who install a solar or wind turbine generating facility intended to primarily offset part or all of their own electrical requirements. The existing Schedule NEM was established to comply with Public Utilities Code Section (PUC) 2827. Net Energy Metering (NEM) eligible customers are those with solar and/or wind generating facilities on the customers' owned or leased premises with a capacity of less than one megawatt (MW) intended to primarily offset all or a portion of the customers' own electrical requirements. Schedule NEM allows a customer to carry forward monthly credits for customers who were net generators (e.g., their facility generated more energy than the customer consumed during the billing period that was fed back into Riverside's electric system) in any given month and allows those credits to offset energy usage in subsequent months in which the customer consumes more energy than the renewable facility generated.

State Assembly Bill 920 (AB 920), enacted on October 11, 2009, modified the NEM requirements of PUC Section 2827 by requiring Riverside Public Utilities (RPU) to compensate eligible customer generators on a per kilowatt hour rate effective January 1, 2011, for the amount of energy generated and fed back to RPU's electric system that exceeds the amount of energy consumed over a twelve-month period. On December 14, 2010, the City Council adopted the required changes to Schedule NEM and the NEM Interconnection Agreement and established the net surplus compensation rate which is set annually at RPU's average cost of renewable energy.

Once RPU exceeded its NEM Program State-mandated obligation according to PUC 2827 of five percent of RPU's aggregate customer peak demand, 32 MW for RPU, RPU could establish a new program. RPU's total rated generating capacity of NEM Program customers as of June 30, 2021, was 37.5 MW.

On May 10, 2022, the City Council adopted the Self-Generation Program establishing a new program for customers installing qualifying renewable electric generation facilities including solar, wind, and other renewable resources. The Self-Generation Program provides many benefits including simplifying the application process by eliminating the interconnection service agreement, increasing the maximum system size, and relaxing the sizing limitations, while continuing the sustainable growth of self-generation including solar, wind and other renewable energy resources within our community. The Self-Generation Program includes characteristics that are similar to rates offered by other large utilities in California that compensate new solar customers according to the time they generate and provide excess power to RPU's electric system at RPU's avoided cost of energy, thus ensuring there is greater equity across the community by reducing the cost shift to customers without solar.

Current NEM Program customers transition to the Self-Generation Program when the original capacity of their solar facility is increased by more than twenty-five percent, a new solar facility is installed, or a new customer moves into the premise.

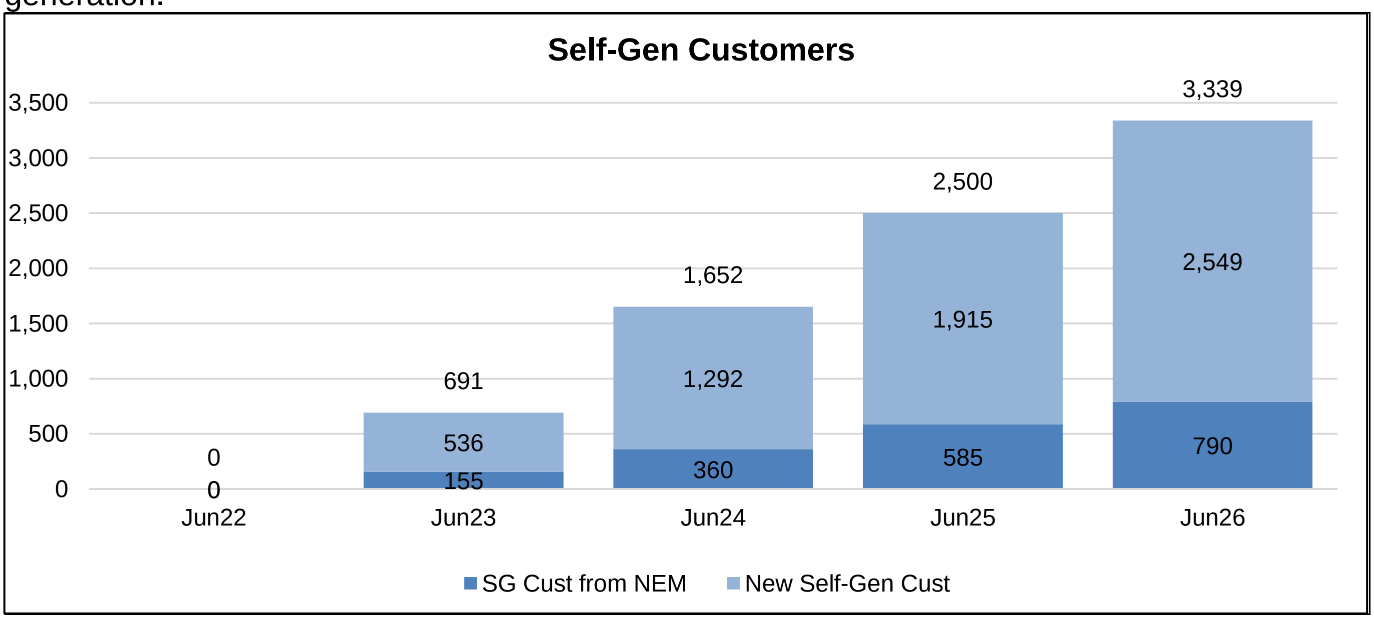
DISCUSSION:

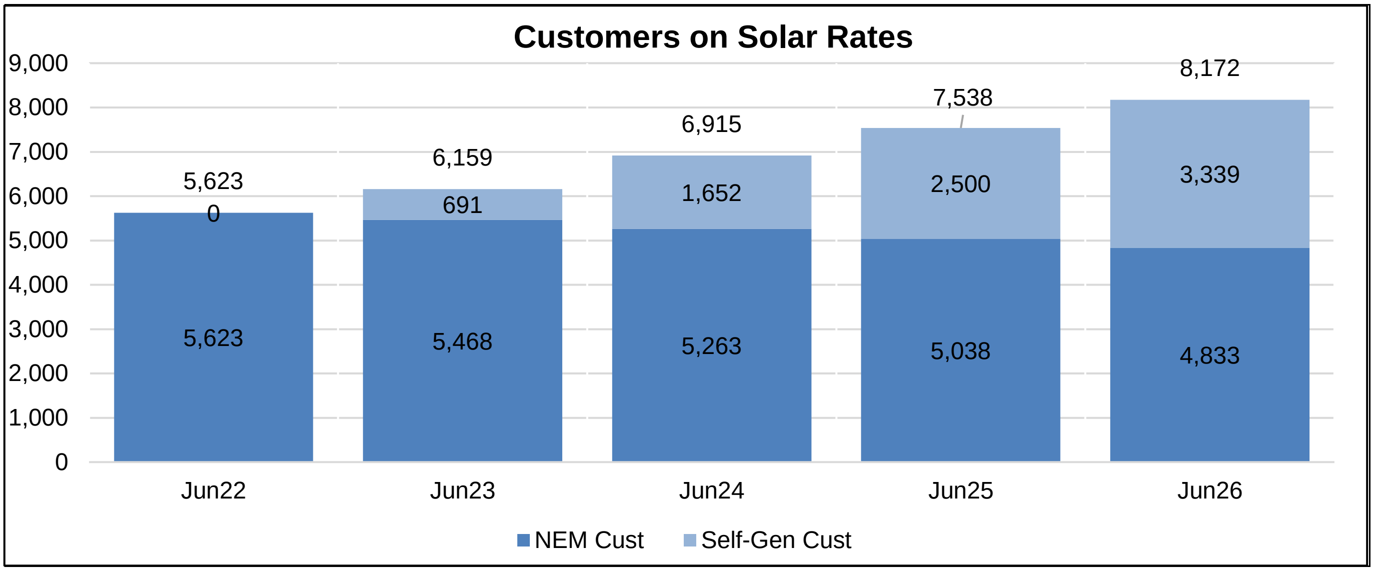
Schedule EV:
Since the initial approval of Schedule EV, RPU has received 219 applications and approved 30 customers, resulting in an implementation rate of 13.7%. The number of customers on Schedule EV has remained consistent at 30 customers for the past four years. The low implementation rate is partially due to adapter limitations and many applicants not completing the application process.

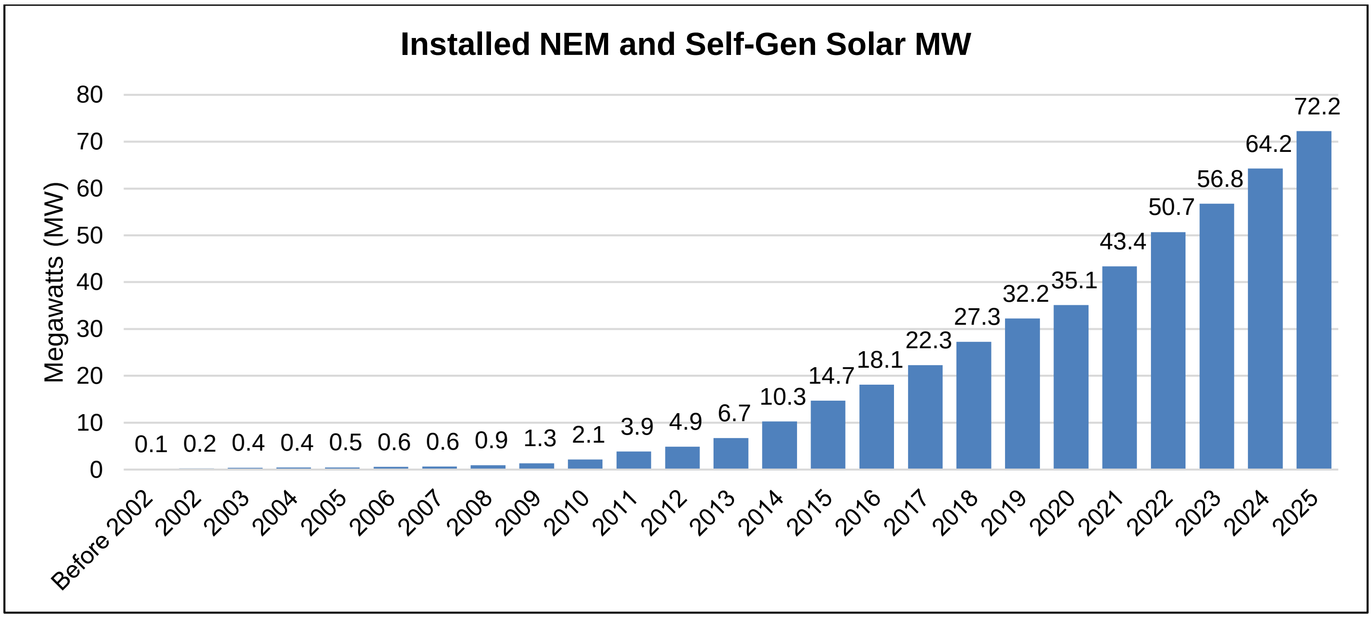
As part of applying for the Schedule EV rate, customers are required to install a dedicated time-of-use (TOU) EV meter provided by the utility. To help offset the permit fees and utility equipment installation costs associated with this requirement, RPU offers a one-time rebate under the Electrify Riverside rebate program to cover these costs. With the closure of this rate to new customers, the need for an EV meter adapter installation is no longer required. Upon approval of the closure of Schedule EV, RPU will also simultaneously close the TOU meter rebate from the Electrify Riverside rebate program associated with Schedule EV.

An alternative to Schedule EV for customers with electric vehicles is the Schedule Domestic Time-of-Use Service rate which provides low-cost off-peak energy usage late at night and in the early morning which is beneficial for electric vehicle charging.

Self-Gen:
The program cap under Schedule Self-Gen is 64 MW and includes existing customers under Schedule NEM. The current installed capacity under Schedule NEM and Schedule Self-Gen is a combined 72 MW. The Self-Generation Program is operating as expected and program participation has continued to grow. RPU staff is recommending removing the program cap to continue to allow eligible customers to install solar and continue to encourage growth in solar generation.







<u>Electric Rules 11, 12, and 13:</u>
As the electric industry changes, updates to electric rules related to electric service facilities, metering options, and right of access to the utility facilities are required.

The design process for electric service facilities under Electric Rule 11 Electric Service Facilities (Electric Rule 11) is used in the estimation and calculation of electrical service fees associated with providing electrical distribution and service facilities to specific projects. Over the last several years, the utility industry has seen an increase in load growth in the area of building and transportation electrification, and new construction of Accessory Dwelling Units (ADU's). These new electrical loads require that utilities take initiatives to ensure that electrical facilities are adequately designed and installed to serve new electrical loads and meet customer expectations. The proposed changes for Electric Rule 11 include aligning language with Rule 10 for Distribution System Additions and providing clarification of requirements and responsibilities for service requests for Accessory Dwelling Units and engineering services.

Electric Rule 12 Electric Supply through Master Metering and Resale of Electricity (Electric Rule 12) typically governs how the Utility provides electricity to a single master meter on a property (like an apartment building or mobile home park), where the property owner then distributes and bills that electric usage to individual tenants (resale). Under the proposed changes, RPU will cease offering master metering to any new accounts to provide fair and equal access of incentives offered to individual metered electrical customers. Under the proposed changes, existing Master Electric Meter Agreements are not permanent and shall remain in effect until either the Customer ceases to receive electric service at the property under master metering or as described in the revised rule.

The right of access to the utility facilities under Rule 13 Utility's Right of Access (Electric Rule 13) is used to describe the responsibilities and grounds to maintain and operate all infrastructure necessary to provide utility services. The proposed changes provide further clarification of right and type of access and responsibilities to provide adequate service and maintenance to Utility-owned service facilities and to enhance safety for service personnel. updates to the right of access to the utility facilities are explicitly distinguished between different entry scenarios to protect property owner privacy while ensuring grid reliability.

FISCAL IMPACT:

There is no fiscal impact associated with the requested action of the closure of Schedule EV to new customers, removal of program cap for Schedule Self-Gen, and updates to Electric Rule 11, Electric Rule 12, and Electric Rule 13.

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Attachments:

1. Board Resolution
2. Recommended Schedule EV Rate Schedule (red-lined and proposed)
3. Self-Gen Electric Rate Schedule (red-lined and proposed)
4. Electric Rule 11 (red-lined and proposed)
5. Electric Rule 12 (red-lined and proposed)
6. Electric Rule 13 (red-lined and proposed)
7. Public Hearing Notice
8. Presentation