



DATE: May 22, 2023
TO: Michael Gange, Director of Environmental Services & Sustainability
FROM: Tony Puente, DME General Manager
SUBJECT: SFAC Questions & Staff Responses

DME staff have reviewed questions posed by the SFAC and below are responses for each question:

1. Status of Industrial/Commercial and DISD Solar & GreenSense policy.

Staff Response: No changes are contemplated at this time for the GreenSense Program impacting these and all other customers. Staff anticipates conducting additional research into the impacts of this program and may bring back this discussion to the SFAC later next calendar year. Currently, installations greater than or equal to 500 kWac are required to perform a pre-interconnection study by a third-party engineering firm. Additionally, installations greater than 20 kW may require a separately negotiated power purchase agreement and do not automatically qualify for the Distributed Generation from Renewable Sources Rider (DGR).

2. Islanding for grid tied solar during power outages.

Staff Response: DME plans to update the Distributed Generation Manual and Solar Application to clarify that multimode/hybrid inverters may be used. When used in conjunction with a battery storage system or a back-up generator, these systems are capable of islanding even if the utility service is disrupted.

3. Review Electric rate structure winter-rational germane conditions.

Staff Response: DME's current rate structure includes a two-tier rate for residential customers during winter months (November-April). The current tiers are: Tier 1, First 600 kWh at \$0.0684; and Tier 2, Additional kWh at \$0.0455. In comparison, the summer months (May-October) have a single rate of \$0.0684 for all kWh consumed. DME is currently reviewing this rate structure since the original intent was likely to attract winter heating load and encourage fuel switching from gas and propane to electric. Over the last few years, the trend has been to move to all electric home appliances, especially for heating, so this rate structure may no longer be applicable.

If you have any questions, please do not hesitate to contact me.