AN ORDINANCE OF THE CITY OF DENTON AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO EXECUTE GENERATION CREDIT RATE AGREEMENTS WITH ELECTRIC UTILITY CUSTOMERS OWNING RENEWABLE ENERGY GENERATING SYSTEMS LARGER THAN 50KW AS NEEDED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Schedule DGR (Distributed Generation from Renewable Sources Rider) of the City's Rate Ordinance states that electric utility customers who own generating systems larger than 50KW shall enter into a separate generation credit rate agreement. This agreement shall establish the rate the City will pay when purchasing excess power generated by these electric utility customers on a case-by-case basis;

WHEREAS, because of both the requirements of each individual electric utility customers and customer-specific rate calculations required by the City for generating systems larger than 50KW, it is a best customer service practice and organizationally efficient for these generation credit rate agreements to be drafted on a customer-specific basis and be executed administratively by the City Manager, or his designee, after approval by the City Attorney;

WHEREAS, the City Council finds it is in the public interest for the generation credit rate agreements to be drafted on a customer-specific basis, approved by the City Attorney, and executed administratively by the City Manager, or his designee, after approval by the City Attorney; NOW, THEREFORE,

## THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

<u>SECTION 1</u>. The findings and recitations contained in the preamble of this Ordinance are incorporated herein by reference.

SECTION 2. The City Manager, or his designee, after approval by the City Attorney, is authorized to execute generation credit rate agreements with electric utility customers who own generating systems larger than 50KW, as needed without further authority, guidance, or direction from the Council, and is further authorized to carry out the rights and duties of the City under the said agreement.

SECTION 3. This Ordinance shall become effective immediately upon its passage and approval.

PASSED AND APPROVED this the	day of	, 2017.
	CHRIS WATTS MAYOR	

ATTEST: JENNIFER WALTERS, CITY SECRETARY
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BY:
APPROVED AS TO LEGAL FORM:
AARON LEAL, INTERIM CITY ATTORNEY
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BY: