

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM**  
3.4  
(ID # 7540)

**MEETING DATE:**

Tuesday, July 17, 2018

**FROM :** SUPERVISOR V. MANUEL PEREZ:

**SUBJECT:** SUPERVISOR V. MANUEL PEREZ: ADOPTION OF ORDINANCE NO. 943  
ESTABLISHING REGULATIONS AND PROCEDURES FOR NET-ENERGY  
METERING BY IRRIGATION DISTRICTS (All Districts) [CEQA Exempt] - [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Find the adoption of Ordinance No. 943 exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15061(b)(3); and
2. Adopt Ordinance No. 943, an ordinance of the County of Riverside establishing regulations and procedures for net-energy metering by irrigation districts.

**ACTION:** Policy

  
Supervisor V. Manuel Perez, Supervisor 7/5/2018

---

**MINUTES OF THE BOARD OF SUPERVISORS**

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**C.E.O. RECOMMENDATION:** [CEO use]

**BACKGROUND:**

**Summary**

On June 26, 2018, the Board of Supervisors introduced Ordinance No. 943 establishing regulations and procedures for net-energy metering by irrigation districts (Agenda item 3.4). The Board's adoption of Ordinance No. 943 will finalize the Board's approval of the regulations for net-energy metering programs by irrigations districts in the unincorporated areas of Riverside County.

Net-energy metering (NEM) programs allow homeowners and businesses that generate their own energy directly onsite to receive a financial credit on their electric bills for any surplus energy fed back into the grid to their utility. Under NEM, the customer's electric meter keeps track of how much electricity is consumed by the customer, and how much excess electricity is generated by the customer's system and sent back into the electric utility grid. Typically, over a 12-month period, the homeowner only pays for the net amount of electricity used from the utility over-and-above the amount of electricity generated by the customer's onsite energy system. The customer is also responsible for the monthly customer transmission, distribution, and meter service charges incurred by the customer. NEM programs are established under State law in the Public Utilities Code.

Southern California Edison ("SCE") is the main electric utility provider in the unincorporated areas of Riverside County. SCE has a NEM program available to its customers. Pursuant to an agreement between SCE and Imperial Irrigation District ("IID"), IID is the electric utility provider in several unincorporated areas of the eastern part of the County. In February 2016, IID closed its net-energy metering program to new applicants which left many of IID's customers in Riverside County in limbo, including customers that had already applied for IID's NEM program and purchased solar panels for their homes. In response to IID's closure of its NEM program, Assembly Bill No. 2163 (2015-2016) was introduced which would have required IID to provide NEM service to all eligible customers. In August 2016, presumably in an attempt to avoid AB 2163 being enacted, IID committed to expanding its NEM program to allow additional customers. However, this expansion was only for individuals that met certain criteria and had submitted interconnection applications to IID by October 1, 2016. AB No. 2163 died in legislative committee and did not move forward.

In an effort to ensure that residents in the unincorporated areas that are served by IID have the same opportunities to join a NEM program as residents in the unincorporated areas that are served by SCE, the Board of Supervisors adopted an order initiating the preparation of a new ordinance that would establish regulations and procedures for NEM by irrigation districts providing electrical power outside their boundaries in the unincorporated areas. Water Code section 22123 states that any irrigation district providing electric power outside of the irrigation district boundaries, as IID does in Riverside County, "shall be subject to reasonable rules, regulations, and orders of the governing body of the city or county area being served, but, in no event, more restrictive than the rules, regulations, and orders of the Public Utilities commission

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

upon utilities providing electric power to cities or counties.” The Water Code section further states that the irrigation district may impose rates, rules, regulations or orders in any such area outside its boundaries which are different from rates, rules, regulations, or orders imposed within the district, so long as there is the consent of the governing body of the affected area. In this case, that is the Board of Supervisors for the affected area and attached Ordinance No. 943 reflects that express consent and direction of the Board.

Ordinance No. 943 will require irrigation districts providing electric energy in the County to offer an NEM program to County residents that is as expansive but in no event more restrictive than the rules, regulations, and orders of the California Public Utilities Commission applicable to SCE for SCE’s NEM customers under NEM Successor Tariff Decision (D). 16-01-044 and any decision of the Commission that supersedes such decision or otherwise governs NEM.

Ordinance No. 943 is exempt from CEQA per CEQA Guidelines sections 15061(b)(3) because it can be seen with certainty that there is no possibility that the adoption of the ordinance may have a significant effect on the environment as set forth in the attached Notice of Exemption.

**Impact on Residents and Businesses**

The purpose of this ordinance is to ensure that all residents of the unincorporated areas of Riverside County have the same opportunities to participate in a NEM program.

**ATTACHMENTS (if any, in this order):**

1. Ordinance No. 943
2. Notice of Exemption for Ordinance No. 943