



PO Box 811, Oxford, GA 30054
www.sustainablenewton.org

October 17, 2019

The Honorable Mayor & Council
City of Covington
PO Box 1527
Covington, GA 30015

Dear Mayor & Council,

It is our understanding you will hold a second reading and vote in your October 21 council meeting on proposed changes to the city's Distributed Generation Rider as specified in section 13.08.380 of the city's code of ordinances.

We appreciate the willingness of the Mayor, the Council, and city staff to hear concerns about the existing standby capacity fee raised by Sustainable Newton and other solar advocates in Covington's service delivery area. While the amendments you will vote on Monday night do not fully address our concerns with the city's fees which discriminate against customers wishing to install distributed solar systems, the changes do represent a positive step in the right direction.

For residential customers, replacing the current fee with a monthly flat fee of \$5.50/month for systems < 6kW, \$9.50 for 6kW to < 9kW, and \$15.00 for >9kW up to 10kW will significantly reduce the financial penalty for solar customers over the 30-year life of their systems. Even with the increase in the bidirectional metering fee (from \$2.50 to \$4.50), total fees paid over the life of a typical 5 kW system will be reduced from \$11,970 to \$3,600. We also appreciate that the city has heeded our request at the first reading to implement a more gradual increase for systems of 6kW or larger, by establishing two tiers.

While we recognize the progress and support passage of this amended ordinance, it is important we also convey our strongly held belief the city can and should do better in the near future. Specifically, we ask you to consider the following points:

1. The city has given no rationale to support larger solar systems being a greater impact and paying a higher fee. In fact, we have not seen any quantification of actual costs or financial impacts solar adoption will have on the city's bottom line. So, while we respect your need to move cautiously, we encourage you to work with staff to quantify those impacts. Especially as we begin seeing customers implement solar, this is the perfect time to reality check those assumptions. But, to do that, they must be documented.
2. The amended ordinance helps residential customers, but it makes the already exorbitant standby fee charged to commercial customers even worse. At \$15.16 to \$20.26 per kW

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monthly, these fees guarantee that no commercial customers in the city's service area will be able to consider solar. The demand for clean, affordable renewable energy is only going to increase with time; ignoring that poses significant economic development challenges. And, as an organization dedicated to helping property owners achieve that transition, we find the current commercial fee structure not viable. We will continue to lobby for better treatment of commercial customers on this issue.

3. We are not sure what to make of the fee added to the ordinance for Time of Use customers. We assume this is meant to apply only to Commercial Time of Use customers, since the city has no current TOU rate plan for residential. But, any fee for Time of Use should be low to non-existent, since TOU plans by design are meant to reward solar customers who have very little to no peak/daytime consumption.

In closing, we again thank you for working with us. Frankly, some of our supporters feel Covington has not gone far enough – especially in comparison to the City of Oxford, which in April eliminated the standby capacity fee for residential customers entirely. However, the Board of Directors for Sustainable Newton sees this amendment you will vote on Monday night as a positive step in the right direction.

We hope – like us – you agree this is only a step along the way to something better. We look forward to continued partnership with the City of Covington find solutions that are sustainable in every sense of the word: financially for the city, socially for all citizens, and environmentally for ourselves, our children, and their children.

Sincerely,

The Board of Directors for Sustainable Newton, Inc.

L. Maurice Carter Jr, President

Theodosia Wade, Vice President

Julius J. Hayden, Treasurer

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