SOLAR NET METERING FREQUENTLY ASKED QUESTIONS

1. What is net metering?

Net metering is a service which credits our residential and commercial customers who are equipped with a renewable generation system (RGS). This RGS may add additional electricity to the grid. Customers are billed for the amount of energy (in kilowatt hours, kWh) delivered from the utility to their home or business and the utility will provide Renewable Generation Credit (RGC) for the energy received from the customers in excess of their usage.

2. Why offer net metering?

Net metering and interconnection standards provide several benefits. The primary benefits are: 1) it promotes the development of renewable energy, 2) it enables customers to offset consumption from their electric utility, and 3) it enables customers to be compensated for excess generation returned to their electric utility. Net metering is a valuable service for customers who want to install renewable generation.

3. How does net metering work?

Net metering enables qualified, customer-owned renewable generation to offset the customer's electricity consumption from the local electric utility. First, the customer-owned renewable generation is used to supply the customer's own electricity usage, offsetting the need for electricity from their utility. When the customer needs more electricity than their system generates, the deficit is purchased from the utility. Conversely, when the customer uses less electricity than their system generates, the surplus is delivered to the utility's distribution system and credited to the customer. The customer's monthly bill will reflect the net charge for electricity consumed by the customer and a credit for electricity sold back to the utility.

4. What types of renewable generation qualify?

There are several types of customer-owned renewable generation that qualify. Solar and wind systems are the most common. Other qualified renewables include biomass, waste heat, hydrogen, geothermal energy, ocean energy and hydroelectric power. The system must be located on the customer's property and have a generating capacity of less than 2 megawatts. Additional sizing limits will apply, based on that customer's annual consumption calculations.

5. Who is eligible?

Any customer with qualified renewable generation can participate. There is limit on the total rated generating capacity of all customer-owned renewable generation on the utility's system. It cannot exceed 2.5% of the utility's aggregate peak demand. If that limit is reached, subsequent applicants for net metering will be held until capacity under the cap becomes available.

6. Is there a need for a new meter?

Yes, a net meter will measure energy delivered and received.

7. How is the customer billed?

Net metering adds a credit to the billing process. The customer will be billed for the total amount of electricity (kWh) delivered to the home by the utility. The customer will then be credited for the total amount of excess electricity (kWh) that is generated by the customer and delivered to the utility. If a customer's credit (kWh) for its self-generation is greater than its bill for utility electricity, the excess credit (kWh) amount will be applied to the following month's bill. The customer's monthly bill will reflect the net of electricity purchased from the utility versus compensation for electricity delivered to the utility.

8. Will I always have an electric bill each month?

Yes, all customers connected to the electric utility distribution system pay a monthly service charge to cover the cumulative expenses of the generation and maintenance of the local electric system to which they are connected.

9. How do I get started?

Fill out an OEU Interested in Solar form. Email the completed form to ElectricEngineeringSolar@Ocalafl.gov. OEU will let you know the maximum allowable system size.

10. What documents are necessary to participate in net metering?

The following documents are necessary for participation:

- Application for Interconnection
- Tri-Party Net Metering Agreement
- Tier 1 or Tier 2 Interconnection Agreement
- Proof of Personal Liability Insurance
- One-line / Riser Diagram
- Solar Panel Roof Layout Diagram
- Inverter Datasheet / Specs
- Solar Panels Datasheet / Specs.

11. What are the costs associated with net metering?

There are two main costs associated with net metering. These costs include: 1) an application fee, and 2) purchasing and installing the generation equipment. Additionally, system maintenance and inspections are costs to be considered. Insurance is required for all net metering participants. These are the main costs, though other costs may apply. The Tier 3 interconnection study must also be paid by the customer.

12. The Tri-Party Agreement involves the Florida Municipal Power Agency (FMPA). What is FMPA?

The Florida Municipal Power Agency (FMPA) is an Orlando-based wholesale power agency. FMPA is our utility's exclusive wholesale electricity supplier, so FMPA's policies must be coordinated with the utility since net metering involves delivering electricity to the utility.

13. I'm moving into a house with a renewable energy system already in place. What do I need to do?

Contact OEU Engineering within 30 days of the change of system ownership. You will need to fill out an application, sign a Standard Interconnection Agreement and Tri-Party Agreement, provide proof of insurance, and possibly have the solar system re-inspected to make sure it is in proper working order and within the size/capacity limits for the house, prior to OEU being able to provide the needed net-metering meter unit.

14. What if I add solar panels or upgrade my system?

Any addition of solar units (additional generation capacity) must be approved by OEU Engineering, at least 30 days prior to making any modification. This involves a re-assessment of the proposed overall generation capacity, to verify that the proposed increase will not exceed the maximum allowed system size for your home or business. System generation capacity increases that are installed without OEU approval are subject to removal of the net-metering equipment and removal from the net-metering program for a breach of the Standard Interconnection Agreement.

15. How long does the standard application process take?

The application process evaluation period differs depending on the size ("Tier") of the renewable generation system. Some higher tier applications require additional system studies that must be performed. The duration also depends on the thoroughness and timeliness of required documentation submittals.

16. When will my net meter be installed?

After all required applications, agreements, studies (if needed), and inspections are completed and approved, installing the net meter can take up to two (2) business days. This assumes there are no emergencies or weather-related events beyond OEU's control.

17. What paperwork does OEU provide for submission of building permits?

As soon as OEU Engineering receives the customer's Initial Solar Request Form, OEU will review actual historical consumption (kWh) data for that location to determine the maximum allowable system size that can be connected to OEU's electric distribution grid. OEU will issue a letter stating the allowable size. That letter can be submitted with the building permit application.

18. Where can I find additional information about net metering?

Additional information can be found on the following Web sites:

U.S. Department of Energy (DOE): The DOE provides an overview of net metering.

Database for State Incentives for Renewables & Efficiency (DSIRE): DSIRE provides a summary of Florida's net metering incentives, rules and regulations.

Florida Public Service Commission (FPSC): The FPSC provides information on net metering, as well as regulations associated with the electric industry. Municipal electric utilities are not subject to PSC rules on net metering. Instead, each municipal electric utility adopts its own net metering and interconnection policy.