



# Net Metering

Rich Andrysik  
Lincoln Electric System  
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# Federal Policy

Public Utilities Regulatory Policy Act of 1978 (PURPA) encourages:

- Conservation of energy
- Optimization of efficient use of utility resources
- Equitable rates to electric consumers



# Federal Policy

Public Utilities Regulatory Policy Act of 1978 (PURPA):

- Electric utilities will connect to and purchase energy from Qualifying Facilities.
- Qualifying Facilities include cogeneration and small power producers.



# PURPA Qualifying Facilities

Small power producers include generation from:

- Biomass
- Waste
- Wind
- Solar
- Water



# Federal Policy Update

Energy Policy Act of 2005 (EPAct 2005):

- All medium and large electric utilities must consider adopting new federal standards.
- Net metering is one of those standards.



# Net Metering

## Definition:

- A customer-owned generator offsets or reduces electric energy provided by the electric utility.
- Net metering applies to renewables (small power producers).
- Typically thought of as an electric meter allowed to run backwards.



# Net Metering

Simply put:

- Net metering makes connecting small renewable generators easy.
- Net metering encourages renewable generation.

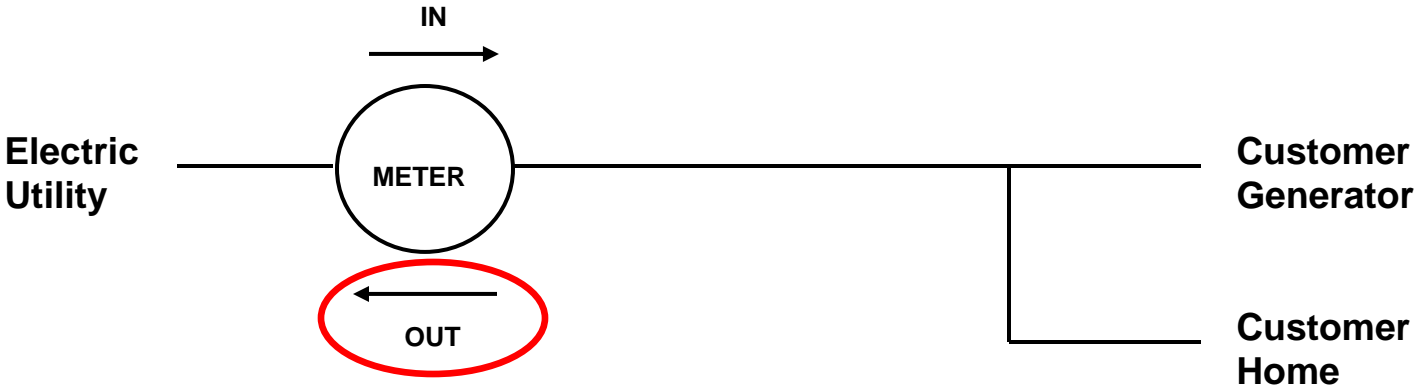


## Net Metering at LES

- Renewable generators up to 25 kW.
- Subtracts excess generation from LES deliveries.
- LES buys net excess generation.
- Customer must contact LES before connecting a generator (for safety).

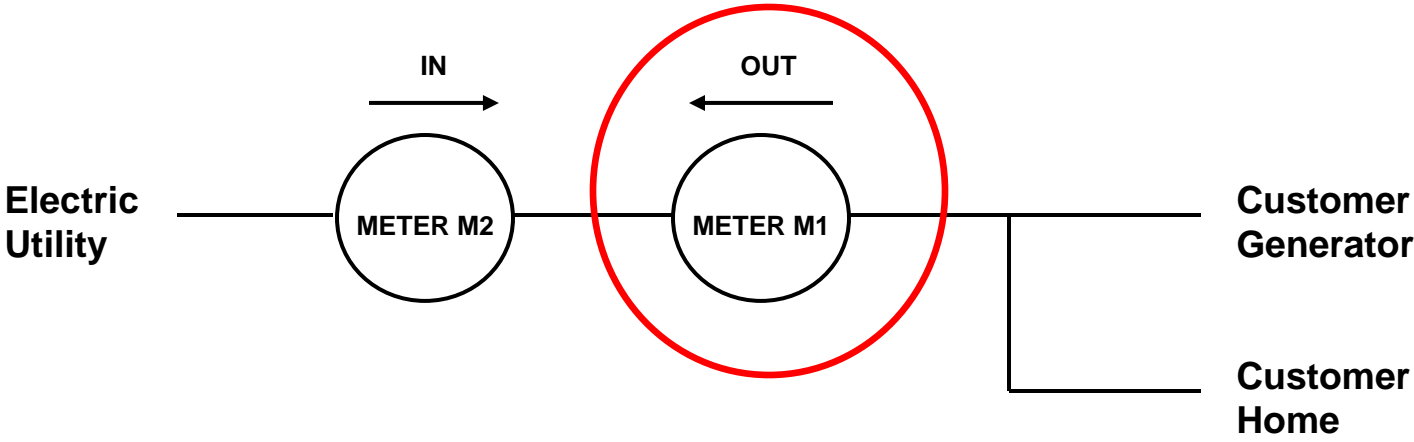


# Metering





# Metering



A vertical photograph of a white wind turbine against a clear blue sky, positioned on the left side of the slide.

# Examples

LES' summer residential rates:

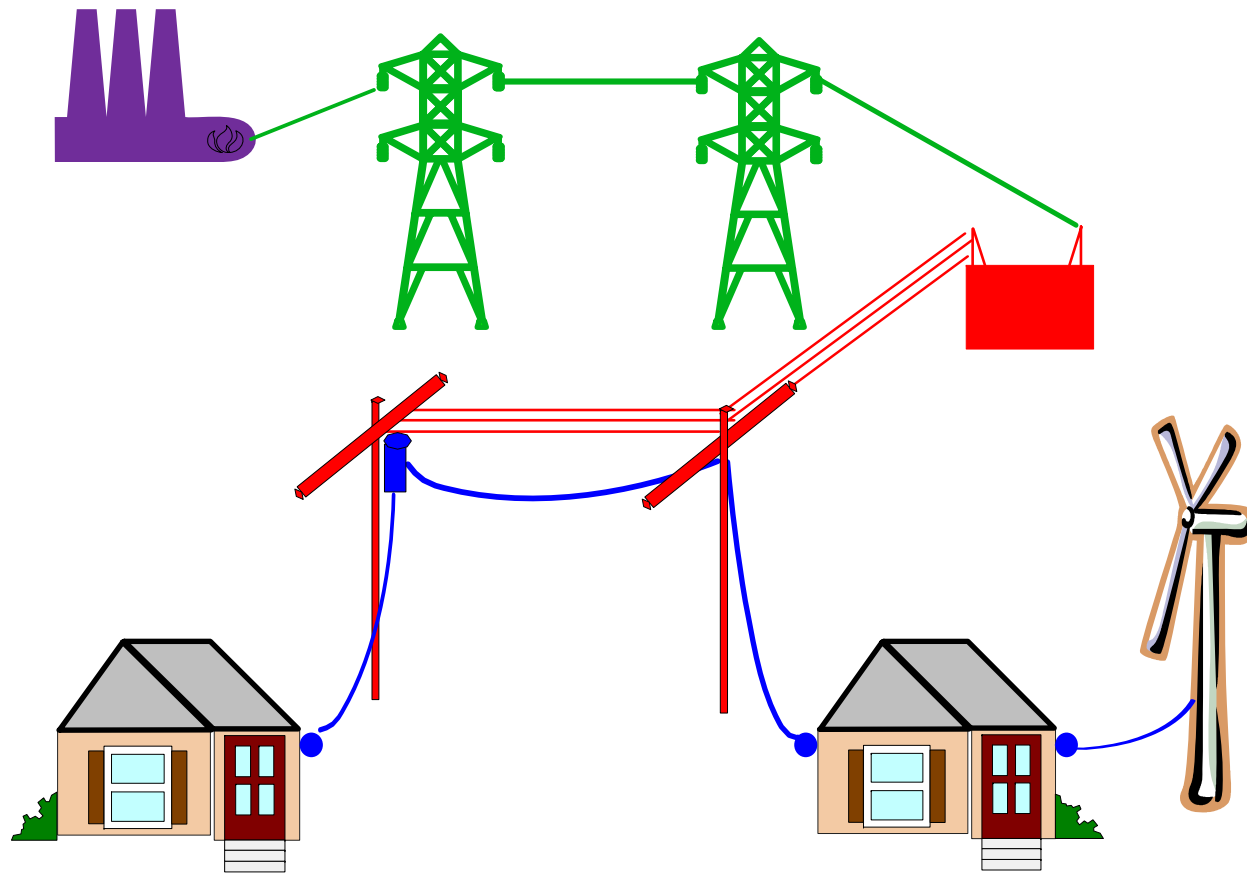
- Customer charge: \$7.80 per month
- Energy charge: 8.16 ¢ per kWh

Net metering:

- Buy back rate: 2.84 ¢ per kWh



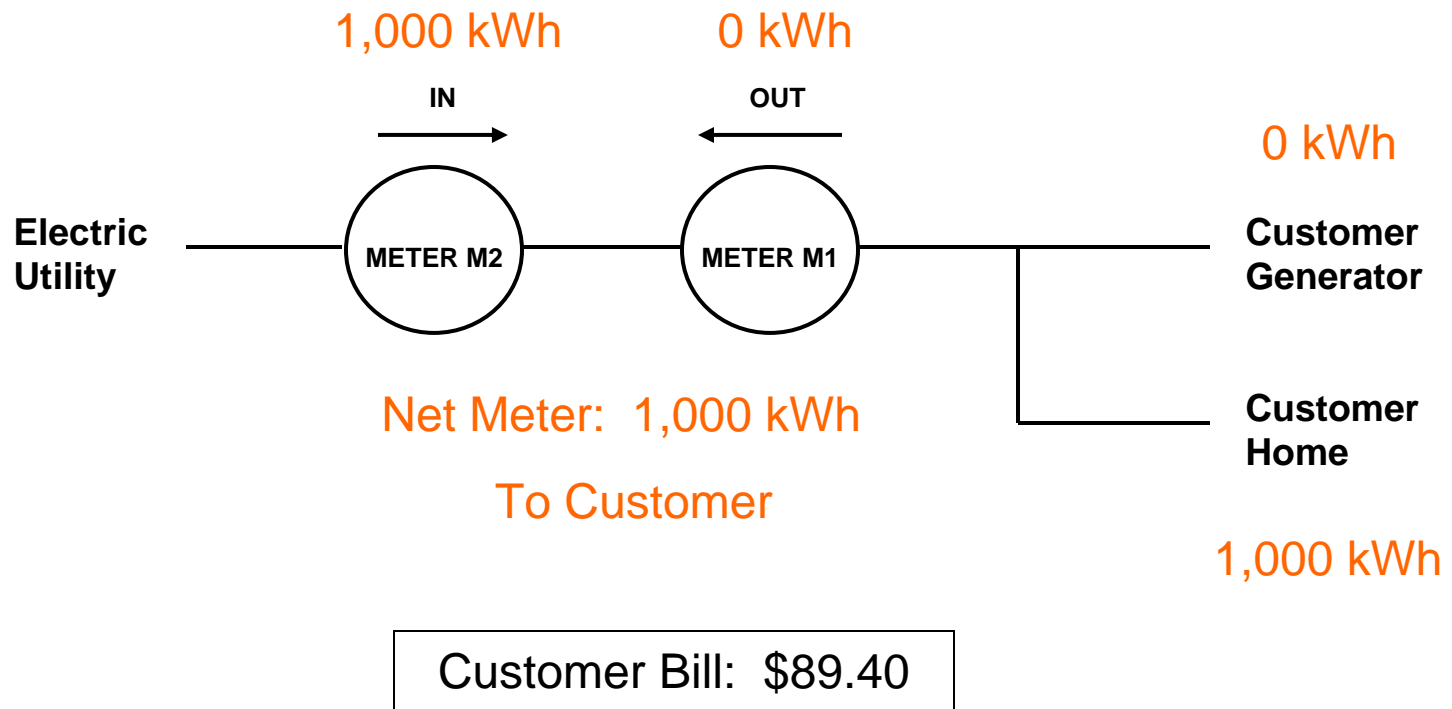
# Electric System





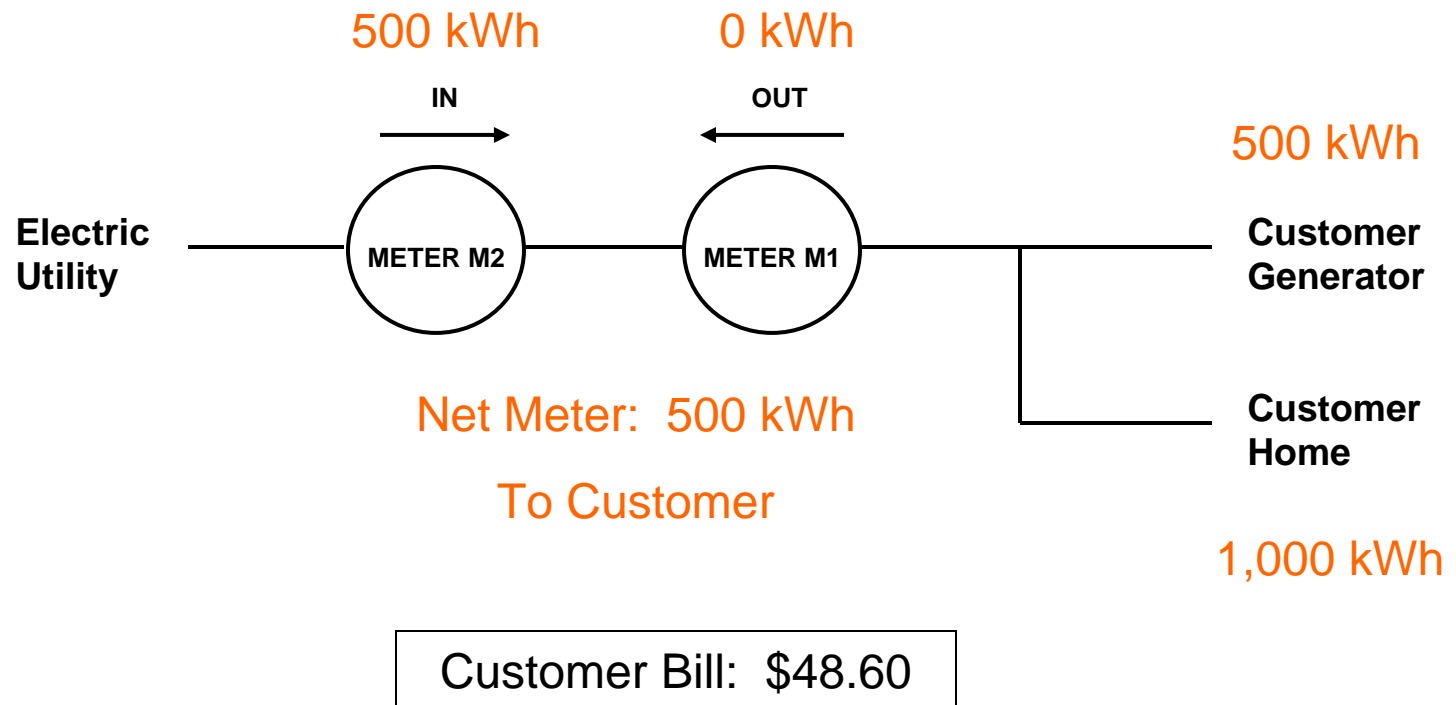
# Example #1

## No Customer Generation





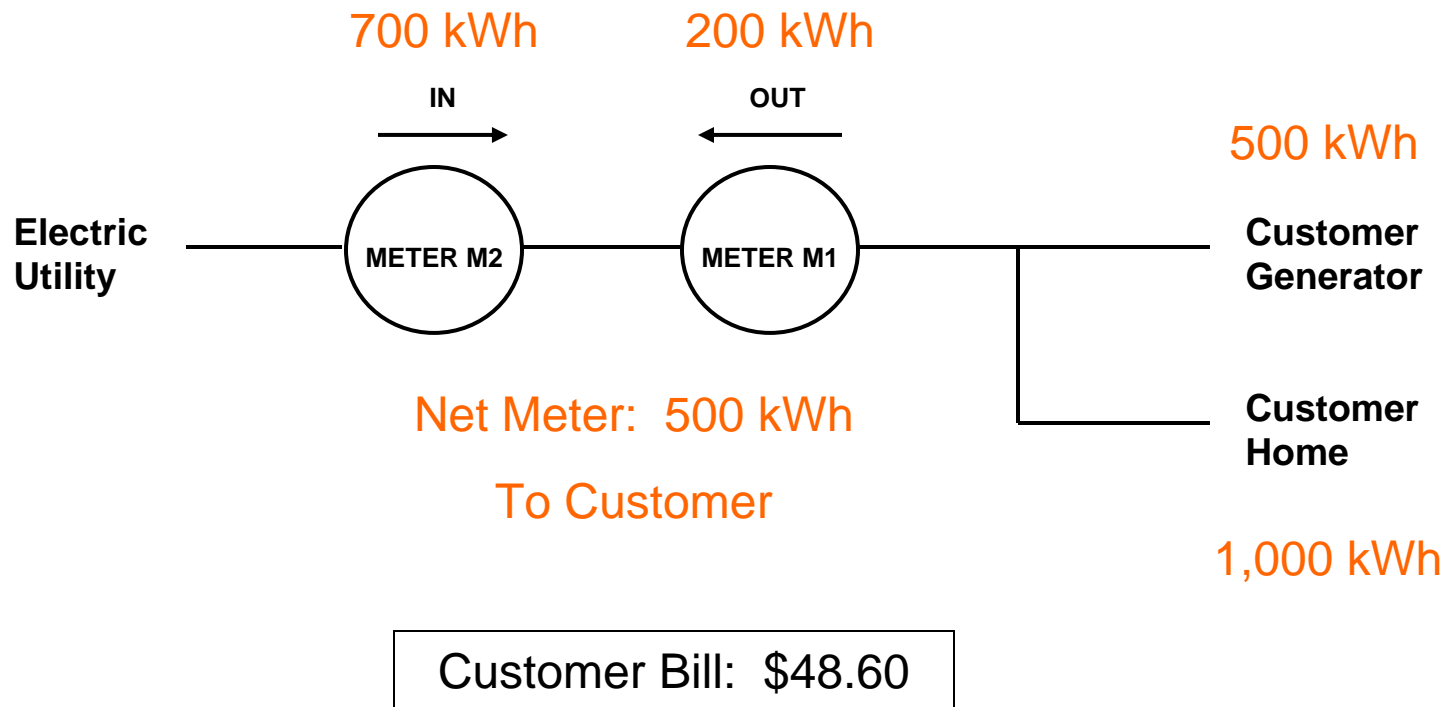
## Example #2 Customer Generates Energy





# Example #3

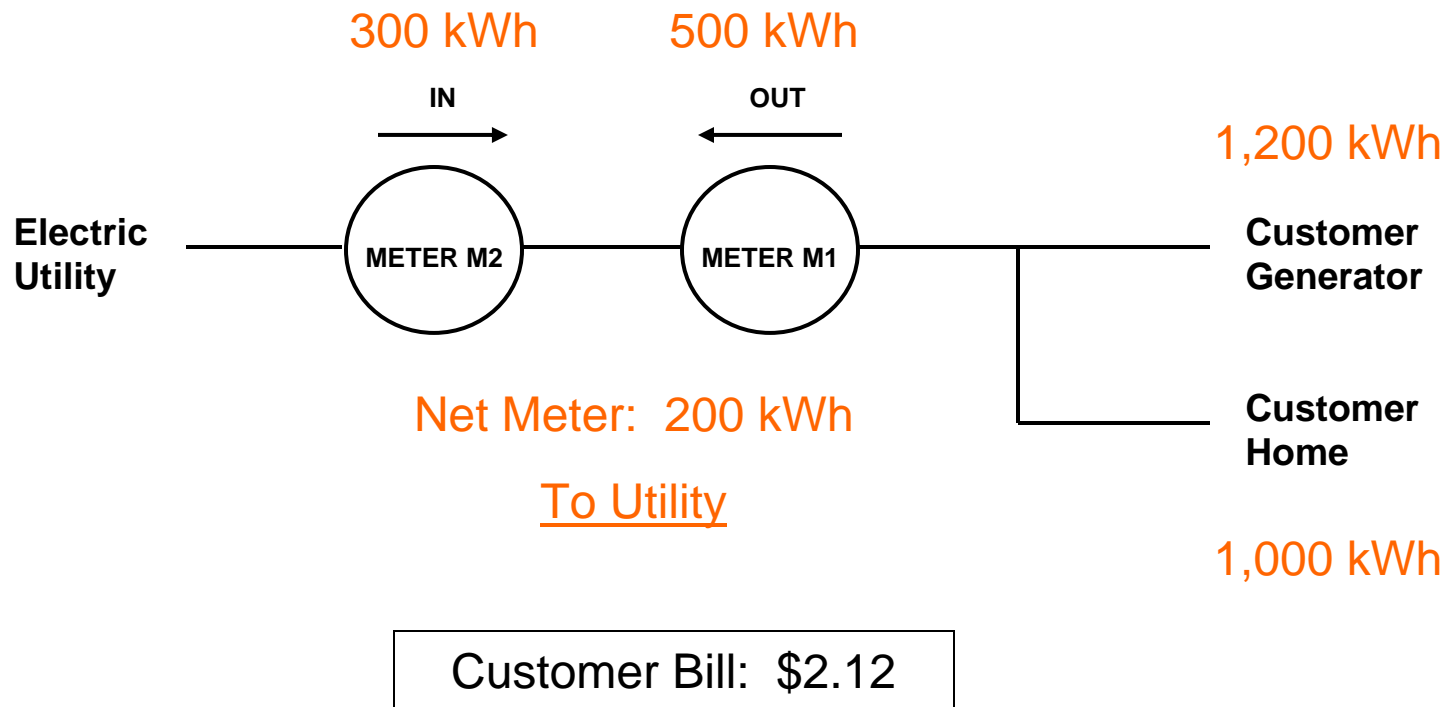
## Some Energy Flows to the Utility





# Example #4

## Some Energy Sold to the Utility





## Some Considerations

- Generator and home must be at the same site, on the same service line.
- LES requires a second meter socket and a disconnect switch.
- Check building codes and get a permit.