

Solar Generation and Net Metering

How does the price for solar energy (\$0.42/kWh) integrate with the Net Metering plans?

Under the **Standard Offer Program** generators will be paid directly for every kilowatt hour of electricity produced at the price set out in their Standard Offer Program contract. These generators must be connected to their electricity distributor's low voltage system in accordance with the electricity distributor's connection requirements. All costs associated with this connection and the related metering is paid by the generator.

Under the **Net Metering Program**, generators are allowed to send electricity generated from renewable sources to the electrical grid for a credit toward their energy costs. Net metering measures the quantity of electricity you use against the quantity of electricity you generate resulting in a "net" total from which your electricity bill is calculated. Excess generation credits can be carried forward for up to 12 months to offset future electricity costs but the local utility does not pay you directly for any excess generation. A generator that is a Net Metering program participant must meet all of the connection requirements of their electricity distributor including meter replacement costs.

The two programs complement each other and interested generators should understand all of the costs and benefits of each program before deciding which one will best suite their particular circumstances.