

TENNESSEE NET METERING

FREQUENTLY ASKED QUESTIONS

What is Net Metering? Net Metering was developed to encourage investment in renewable energy. It is an incentivized program available to eligible residential and small commercial customers who operate an on-site, qualifying renewable fuel generator (such as solar panels) and wish to make some or all of their own electricity. It is not available for those that desire to make energy for sale back to their utility. Approved generators are allowed to connect to the electric grid generally via the customer's main service panel providing the customer with the ability to return any excess energy to the grid "banking" it for future use. This is particularly beneficial for solar and wind as these are intermittent power sources.

How does it work? Once a generator is approved for interconnection, Appalachian Power will install a special meter capable of measuring energy flow in both directions. As your generator produces electricity, that energy is first used to supply your own energy needs. If your generator's output will not cover your entire energy needs, Appalachian Power provides the remainder. Conversely, if your generator produces more electricity than you can use, the excess is measured at the meter and sent back to the grid to be used by other customers.

How do I apply for Net Metering? A net metering informational package is available to download at www.appalachianpower.com or by calling (800) 956-4237. The package includes the net metering tariff that defines the conditions of your electric service while interconnected as well as the 2 page Net Metering Interconnection Notification (NMIN-T) form. The fully completed NMIN should be submitted after the installation is complete for utility field approval. Upon approval, your meter will be scheduled for exchange. This process may take 30 to 60 days, depending on the size of your generator so please remember to leave your generator off until it is approved and the meter has been exchanged.

How will I be billed? All monthly charges will continue to be based on your standard rate schedule. However, you will only be billed for your "net" energy usage (what we delivered to your less what you put back to the grid). Any non-usage charges or minimums as stated in your standard rate schedule still apply. If you return more energy than was supplied to you in any particular billing period, the excess energy is "banked" for application towards future bills. Most customers track their own excess generation as bills currently do not display that information.

Why was my bank not applied? In any month where you have billable consumption, you will initially get a bill for that usage. Generally within 3-7 days, your account will be reviewed and re-billed to apply any "banked" energy to offset all or part of that billable usage.

How long is the "bank" available for my use? Your net metering start date is the first meter reading following meter exchange. Your account is then reviewed annually to reconcile any excess generation. Any excess generation at that time will be compared to your billed kWhs for the year plus your excess generation rolled from the previous year. Banks in excess of this total are forfeited since you are required to size your generator so that it doesn't produce more energy than you can use annually.

Can I be paid instead for that excess generation? Sorry, but no.

How do I read my new meter? Unlike your old billing meter with a static screen, your new net meter will rotate through multiple screens. While there are several different meters being used today for net metering, all will display a screen with 08 on the left or at the bottom which shows the energy we've delivered to you and a screen with 07 on the left or on the bottom which displays the energy you've returned to the grid. You'll also see a screen that displays the 15 minute average peak demand for electricity consumed during the billing period. Some meters also show the date that peak demand occurred. You will receive a meter display guide with your paperwork after the interconnection. You may also download a copy of that guide at www.appalachianpower.com.

What if I decide to add more solar panels? You must submit a new net metering application for the added capacity and you must secure approval in advance just as you did with your initial system.

Why does my inverter show I generated more energy than your meter does? Your inverter measures the energy that you have generated while our meter only measures what you have generated, couldn't use and exported to the grid.