

# Net Metering at CVEA



CVEA implemented the Net Metering Program (Program) in 2012 when member interest in renewable energy alternatives, like wind and solar, had increased in popularity.

Net metering allows an eligible consumer to connect an approved renewable energy generation system to the CVEA grid in order to offset their normal usage and potentially sell back excess energy to the Cooperative.

In light of the development of the Allison Creek Hydroelectric Project, CVEA felt a thorough evaluation of the Program was important.

Allison Creek is scheduled to begin generating commercial power this month (October 2016). Once the project is online, the Cooperative will have surplus hydroelectric energy in the summer months.

This circumstance will affect the non-firm purchased power rate paid to net metering consumers, as purchasing summer power from net metering participants will no longer be in the best interest of Cooperative members.

A change to the Tariff that governs the Program was required, and was approved by the CVEA Board of Directors on August 18, 2016, after following CVEA's strict noticing policies, hosting public meetings, and providing members the opportunity for comment.

Changes to the Tariff revolve around a participant's ability to sell excess energy to the Cooperative between the months of May and October when the Co-op already has excess power, and developing guidelines for who will be eligible to receive this benefit.

It was determined that current Program participants will be grandfathered and will continue to receive the non-firm purchased power rate, or average avoided cost of fuel, when appropriate.

Additionally, the following applicability standards have been developed for those wishing to participate in net metering.

1. Applications received prior to January 1, 2017, will receive the non-firm purchased power rate when appropriate.
2. The installation of approved generation systems for applications approved prior to January 1, 2017, must be completed within five years from the date of application approval.
3. Approved applications after January 1, 2017, will not receive the non-firm purchased power rate May through October when the Association has historically produced a majority of the energy from hydro.

The following information provides a summary of the Program and includes recent changes to the Tariff.

### Eligibility

To be eligible to participate in the Program, a consumer's generation system must produce electric energy derived from one or more renewable resources to include the following:

- Solar photovoltaic or solar thermal energy
- Wind energy
- Biomass energy
- Hydroelectric energy
- Geothermal energy
- Hydrokinetic energy
- Ocean thermal energy

The system must be operated, and either owned or leased, by a consumer that purchases retail electric utility service from CVEA. It must also be located on the consumer's premises, be used primarily to offset part or all of the consumer requirements for energy, be compatible with the Cooperative's system, and have a total nameplate capacity of no more than 25 kW.

In order to protect the member and the Cooperative, there is also a minimum liability insurance requirement that must be met prior to interconnection to the CVEA system. A standard homeowner insurance policy has been found to be adequate in most cases.

### Availability

Participation in the Program is generally available to eligible consumers on a first-come first-served, basis with a few specific exceptions.

There exist specific and overall system limitations that can limit the number of consumers that can participate in the Program. Specifically, the total nameplate capacity of all participants in the Program may not exceed 1.5 percent of CVEA's average retail demand, which at present is 210 kw.

Interconnection may also be denied if a particular installation is expected to result in system stability constraints or create other operational issues.

### Interconnection

Interconnection requirements are outlined in CVEA's Tariff. These requirements exist to ensure the safe and reliable operation of the consumer-owned alternative generation system that will be connected to, and operated in parallel with, the CVEA system.

The process for a member to participate in the Program is straightforward and has been in place since 2012.

The complete details of eligibility, availability, and interconnection requirements are outlined in CVEA Tariff 4, Section 17. Anyone interested should first review Section 17 of the Tariff,

which is available on [cvea.org](http://cvea.org).

Members interested in installing a net metering generation system at their home or business are required to submit an application. The application is written in such a way as to ensure the consumer understands the requirements and what it takes to meet them. A trained CVEA representative is available to help the applicant as they work through this process. We cannot stress enough the importance of carefully following and complying with the application process.

Since the implementation of the program in 2012, eight CVEA members are currently generating power utilizing approved solar generation systems.

For each consumer participating in the Program, CVEA measures the net electric energy during each monthly billing period. Most consumers participating in the Program will simply offset their usage. If CVEA continues to provide more energy than the consumer generates, standard CVEA rates will apply.

For current consumer installations and applications received prior to January 1, 2017, whose monthly usage is less than their monthly generation, their account will be credited with an amount derived by multiplying the kilowatt hours of net electric energy supplied back to the Cooperative by the non-firm purchased power rate, or average avoided cost of fuel. This rate is calculated periodically, at least every 12 months to reflect current fuel costs.

Again, new applicants with generation systems approved prior to January 1, 2017 must be completed within five years of the approval date to be considered for this benefit.

Applicants approved after January 1, 2017, will not receive the non-firm purchased power rate May through October.

For detailed information or questions on the Program, contact Darin Sauls, CVEA Manager of Engineering, at (907) 835-7028 or email [sauls@cvea.org](mailto:sauls@cvea.org). ■

*This article does not contain detailed information of all of the eligibility, availability, and interconnection requirements. All information can be found in the appropriate sections of the CVEA Tariff located at [www.cvea.org/aboutus/tariffnumber4](http://www.cvea.org/aboutus/tariffnumber4)*

