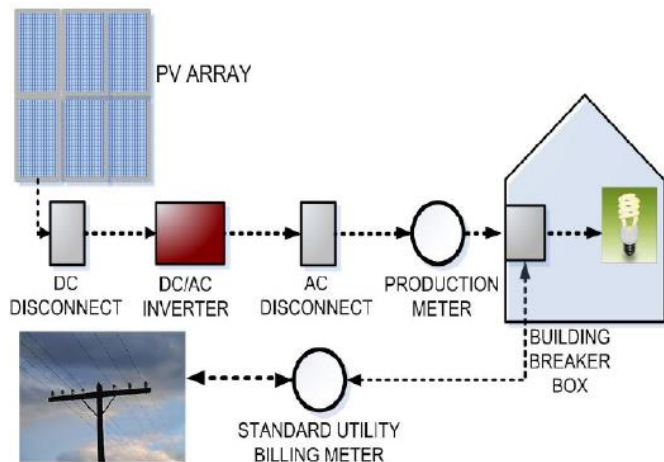


**Program Overview:** The Net Metering Program allows customers to enjoy the reliability of the electrical grid and the option to purchase power from the utility when their system is not generating enough power to cover their total electricity need. Customers will always use the electricity from their renewable energy system first, so the kWh that you generate and consume reduces the electricity you would otherwise be supplied from the utility.

### How does net metering work?

A net meter is a bi-directional meter than can "spin" forwards or backwards, depending on whether you are consuming or returning power. The meter read at any time is the total net consumption over the lifetime of the meter. City Light reads the meter at the end of each billing period (usually every two months) and subtracts the previous reading from the current reading to determine the total kWh Usage.

- If the kWh usage is a positive number, this means that the renewable energy system did not generate enough power to cover the customer's total consumption, and the customer consumed this much power from the utility. The customer will be billed energy charges for their net metered consumption, shown as kWh usage less any kWh credits applied from their net metering bank.
- If the kWh usage is a negative number, this means that the renewable energy system generated more power than the customer's total consumption, and the customer is sending excess generation to the utility. The kWh usage will be added to their net meter bank to help reduce the billable consumption on future statements.



### What is a kWh credit (net meter banking)?

A kWh credit is the excess kWh that a customer generated and did not use during a given billing period. This kWh credit is added to the net meter bank to be retained to help reduce the billable consumption in future billing periods. Most customers will accumulate kWh credits in the summer months and begin using any available kWh credit in the fall/winter.

### How are kWh credits applied?

If you have zero or negative kWh usage, you will not be billed energy charges and the kWh usage amount will be added to your net meter bank as a kWh credit for future use. If at any point later in the net metering year, more power is consumed than the system has generated at the end of the billing period, you will be billed energy charges for the kWh usage less any kWh credits available in your net meter bank. If there are not enough kWh credits to cover the total kWh usage in a billing period, then you will be billed for energy charges on the remaining billable kWh. The value of kWh credits depends on the retail power rate and varies by customer, time of year, and usage.

### I have a zero kWh credits in my net meter bank. Is my solar array working correctly?

The kWh credit net meter bank is for excess power generated that is returned to the electric grid. Many customers will carry a zero-kWh credit most the year and will only accumulate kWh credits during the summer months when more electricity is being generated than consumed.

### Who can I contact to find out my net meter bank balance or if I have more questions?

Renewable Energy Accounts Team  
 (206) 684-5516  
[SCL\\_SolarIncentive@seattle.gov](mailto:SCL_SolarIncentive@seattle.gov)

**What if I generate more than I consume on an annual basis?**

Per state law any remaining kWh credits accumulated in the previous net meter year will be forfeited on April 30th. City Light anticipates customers will be minimally affected by this reset. Given that our new billing system was only implemented in September 2016 we want to allow customers a full year of net metering benefits before the net meter reset takes place. As such we do *not* intend to reset any banked credit this year, and anticipate the first reset to take place in 2018.

**Why can't I just keep rolling kWh credits forward?**

State law states that "On April 30<sup>th</sup> of each calendar year, any remaining unused kilowatt-hour credit accumulated during the previous calendar year shall be granted to the electric utility, without any compensation to the customer-generator."

**What is an energy charge?**

An energy charge is the cost per billable kWh of the net consumption (electricity purchased from the utility) under an applicable rate schedule. If a customer generates more than they consume in a billing period, then the energy charge and associated taxes will drop to zero and excess generation (negative kWh Usage will be added to the net meter bank).

**What is a Base Service Charge?**

A base service charge applies to all residential customers and is associated with the cost of metering and billing a customer. Net metered customers have always paid this charge but may not have noticed it, if it was paid by an existing monetary credit balance on the account. Going forward, no statement will be billed less than the base service charge.

**Will the April 30<sup>th</sup> reset affect my annual Washington State System Cost Recovery production incentive payment?**

No. The state incentive is paid based on your annual solar production and is separate from Net Metering.

**Is the Washington State Renewable Energy System Cost Recovery production incentive program different than the Net Metering Program?**

Yes. City Light administers the incentive program on behalf of the state. As part of this program, qualified customers may apply for payment based on their systems annual production, no later than August 1<sup>st</sup> following each incentive year (July 1 through June 30). The program runs through 2020. Additional information can be located online at [www.seattle.gov/light/solarenergy/SIP.asp](http://www.seattle.gov/light/solarenergy/SIP.asp)

**How do I tell the difference between the net meter and production meter on my billing statement?**

The production meter does not have any charges or usage listed under the production meter line item. The net billing meter will always be billed a base service charge and any applicable energy charges, which will be listed directly under the net billing meter line item. Please see the Net Meter Billing Example for details.

**I'm starting to hear about Advanced Metering. What does that mean to me?**

Most City Light customers will begin seeing Advanced Metering installation in 2017. These meters will give City Light the ability to read meters daily. This will benefit customers as it will provide more data that allows City Light as well as yourself the ability to track the power your system is consuming as well as excess generation that is being sent back to the electrical grid, daily. Net metering customers are not eligible to opt out of Advanced Metering. You can learn more about Advanced Metering online at [www.seattle.gov/light/ami/](http://www.seattle.gov/light/ami/)