

MidAmerican Energy

Iowa Net Billing

Frequently Asked Questions

Iowa Net Billing

Q. What is net billing?

- A. Net billing service is a billing method available to distributed generating facilities that qualify, where energy delivered at the meter is subtracted from the energy consumed: kilowatt-hour (kWh) consumed – kilowatt-hour (kWh) delivered. The resulting net kilowatt-hour (kWh) is billed at the same electricity rate the customer normally purchases its energy from MidAmerican Energy.

Q. What kind of distributed generation is eligible for net billing?

- A. Generation must meet all of the following criteria to be eligible for net billing:
- Alternate energy production facility or small hydro facility
 - At a single geographic location on customer premises or point of service from MidAmerican Energy
 - Nameplate operation of 500 kilowatts (kW) or less
 - Intended primarily to offset the electric requirements of the owner of the generation

Q. What generation sources are considered alternate energy production facilities?

- A. Alternate energy production facilities eligible for net billing are defined in Section 476.42 of *Iowa Code*; the list from that section is:
- Solar
 - Wind turbine
 - Waste management
 - Resource recovery
 - Refuse-derived fuel
 - Agricultural crops or residues
 - Wood burning facility

Q. Are other types of generation (not listed above) eligible for net billing?

- A. No. However, customers that have generation other than renewable fuel sources may sell excess generation to MidAmerican Energy under its Rate No. 57 – Cogeneration and Small Power Production Facilities if the requirements are met under that tariff.

Q. Can a customer install eligible generation on another piece of property, such as a farm, and have net billing at his home in the city, for example?

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- A. No. The generation must be physically located at the same place as where the customer is using the energy.

Q. Can a customer sell any excess generation to his neighbor or have his credits apply to his neighbor?

- A. No. To qualify for net billing, there must be a single interconnection between the customer with eligible generation and MidAmerican Energy. The neighbor is a second interconnection to MidAmerican Energy and would not qualify. An interconnection in this context refers to a connection of electric facilities between MidAmerican Energy and a customer.

Q. Can a customer have a renewable generator that is over 500 kilowatts (kW) and net meter up to 500 kilowatts (kW)?

- A. Yes. Any generation output over 500 kilowatts (kW) is not eligible for net billing, however, generation up to 500 kilowatts (kW) will be determined based on the ratio of 500 kilowatts (kW) to the nameplate rating of the generator. For example, if the nameplate rating of the generator is 1,000 kilowatts (kW), net billing will be applied to 500/1000 or ½ of the energy delivered to MidAmerican and the other ½ will be treated as energy being delivered under the Qualifying Facility rate.

Q. What does a customer need to do to set up net billing?

- A. The customer will need to submit an application for interconnection requesting treatment under the Net Billing rate and follow the distributed generation interconnection process.

Q. Is special metering required?

- A. Yes. Metering that is capable of measuring and recording energy flow on a kilowatt-hour basis from MidAmerican Energy to the net billing facility and from the net billing facility to MidAmerican Energy is required, with each being recorded independently.

Q. Who pays for the special metering?

- A. MidAmerican Energy will pay for and install the standard metering initially; any metering changes requested by the customer will be at the customer's expense.

Q. How does MidAmerican Energy bill a customer with net billing?

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- A. As done with other customers, MidAmerican Energy will read the customer's meter each month. The net amount of electricity (kWh consumed – kWh generated) will be billed at the customer's tariff rate.

Q. How is the customer billed if the customer generates more electricity than consumed?

- A. The customer will be billed for the basic service charge, any non-service charges, and taxes, fees or assessments on those dollars. The excess kilowatt-hours (kWh) generated for the month (not consumed) will be carried over to the next month, or banked, for credit on future bills. If in subsequent months the customer consumes more than generated, the banked kilowatt-hours (kWh) will be subtracted from that month's kilowatt-hours (kWh) and the customer will be billed for the net kilowatt-hours (kWh).

Q. What happens if there is left over kWh in the bank after applying the kWh to the customer's bill?

- A. The left over kilowatt-hours (kWh) will remain in the bank for use in subsequent months.

Q. What happens to a customer's banked kilowatt-hour (kWh) if service is terminated?

- A. The kilowatt-hours (kWh) in the bank will return to zero.

Q. Will MidAmerican Energy cash out the kilowatt-hour (kWh) in the bank?

- A. MidAmerican Energy will not cash out any kilowatt-hours (kWh) in a customer's bank.