

# 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 private 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 1000 kilowatts (kW) or less ( up to 100% of the customer's load)
  - Intended primarily to offset the electric requirements of the operator 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 QF – Cogeneration and Small Power Production Facilities if the requirements are met under that tariff.

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**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?**

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. Do generators with a leased or 3<sup>rd</sup> party purchase agreement arrangement qualify for net billing?**

A. Yes. Such arrangements qualify for the net metering rate under Rate PG Pilot – Net Billing of Private Generation Facilities Pilot.

**Q. Can a customer have a renewable generator that is over 1000 kilowatts (kW) and net meter up to 1000 kilowatts (kW)?**

A. Yes. Any generation output over 1000 kilowatts (kW) is not eligible for net billing, however, generation up to 1000 kilowatts (kW) will be determined based on the ratio of 1000 kilowatts (kW) to the nameplate rating of the generator. For example, if the nameplate rating of the generator is 2,000 kilowatts (kW), net billing will be applied to 1000/2000 or ½ of the energy delivered to MidAmerican (up to 100% of the customer's load) and the other ½ will be treated as energy being delivered under Rate QF – Cogeneration and Small Power Production Facilities.

**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 Rate PG Pilot – Net Billing of Private Generation Facilities Pilot and follow the private 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.

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### **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. In the case of facilities with design capacity of 1 MW or greater, the customer may be responsible for metering equipment costs pursuant to the terms of a negotiated contract.

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

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

### **Q. How is the customer billed if the customer delivers more electricity to MidAmerican than received for the billing cycle?**

- A. The customer will be billed for the basic service charge, any non-service charges, and taxes, fees or assessments on those dollars. The kilowatt-hours (kWh) delivered in excess of the kilowatt-hours (kWh) received for the bill cycle will be carried over to the next month, or banked, for credit on future bills. If in subsequent months the customer receives more electricity from MidAmerican than delivered, 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. Under the Rate PG Pilot – Net Billing of Private Generation Facilities Pilot, the left over kilowatt-hours (kWh) will remain in the bank for use in subsequent months, until the end of the annual true-up period. Excess kWh credits remaining at the end of the annual true-up period, are cashed out at an avoided cost rate according to the Rate PG Pilot tariff.

### **Q. When does the annual true-up period end for a net metering account?**

- A. Under the Rate PG Pilot – Net Billing of Private Generation Facilities Pilot, the customer makes a one-time election for the annual true-up period to end with either the January, or the April bill cycle. As required by the Iowa Utilities Board, the cash out amount will be split between the customer (as a bill credit) and MidAmerican's low-income assistance program, I-Care. Customers may elect to allocate 50%, 75% or 100% to I-Care.

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

- A. Under the Rate PG Pilot – Net Billing of Private Generation Facilities Pilot, any unused kilowatt-hour (kWh) energy credits will be cashed-out at the avoided cost rate according to the net metering tariff. As required by the Iowa Utilities Board, the cash out amount will be split between the customer (as a bill credit) and MidAmerican's low-income assistance program, I-Care.