# Frequently Asked Questions



## **Distributed Generation System**

#### Does the cooperative buy the extra power I generate?

Yes. Access Energy Cooperative will buy the excess electricity produced by member-consumers from small renewable generators. We will buy your excess electricity at a fair rate (called avoided cost) that also ensures other member-consumers on the system do not bear an undue cost for their electricity.

#### What is net metering?

Net metering is one tool for valuing and measuring the electricity generated and used by a utility consumer who has a distributed generation (DG) system, such as a wind or solar generation system. Under net metering, when a consumer uses electricity supplied by the cooperative, the electricity meter moves forward. When the consumer's DG system produces more electricity than the consumer needs at any particular time, the excess is fed back into the grid, and the meter rolls backwards. The consumer exchanges the power it uses one-for-one with the power it exports, and is thus credited at full retail rate for any excess energy it produces.

#### **Does Access Energy Cooperative net meter?**

No, we do not. The net metering system is a subsidy that raises costs for the rest of the member-owners on the system. Net metering pays consumers retail price for wholesale electricity only. Access Energy Cooperative's retail price includes the wholesale electricity costs as well as costs for operation and maintenance of the cooperative's facilities. Also, net metering will not give the true total energy used by the consumer because the meter rolls backwards.

#### How does Access Energy Cooperative pay me for any extra power I generate?

Access Energy Cooperative pays avoided costs and installs a single advanced meter capable of reading power flows in each direction (bi-directional meter). This provides a way for member-consumers to pay their fair share of costs for electric service while benefiting from their DG system. Our meter measures electricity coming from the grid separately from the excess electricity being delivered to the grid from the alternative energy system. This approach is consistent with the PURPA (The Public Utility Regulatory Policies Act), where the consumer buys power from the cooperative at the retail rate and sells power to the cooperative at the avoided—or wholesale—cost.

The member-consumer uses the output of the alternative energy system to offset power they would normally purchase from the coop. By offsetting power they would have purchased at retail rates, the member-consumer receives the highest value for the portion of the DG they use. The utility only buys that portion of the consumer's output that exceeds their simultaneous demand. The consumer only buys power from the utility when their load exceeds the simultaneous output of the DG system.

## Frequently Asked Questions Distributed Generation System



Connecting your DG system to the grid allows you to send excess power to the cooperative as well as buy electricity from the cooperative when you need to.

Requirements for interconnection vary based on the type of generator. If your DG system requires power from our electric system to operate, the interconnection is fairly simple with a manual disconnect switch. If however, your DG system can operate without being connected to our electric system interconnecting becomes very complicated, and requires an automatic disconnect switch plus multiple types of sensors to detect power problems. In either case, the DG system must meet all electric codes and must be synchronized with our grid, match our voltage, frequency and power quality. There must also be a locked disconnect that Access Energy Cooperative's personnel can access to isolate the unit from the grid in the event of a power outage. Any costs associated with upgrades on our system are the responsibility of the member-consumer. Prior to purchasing a DG system contact Access Energy Cooperative to determine what requirements your system will need and what costs will be associated with the installation.

#### What, if any, permits and inspections are required to operate a DG system?

Your system will need to be approved by a state electrical inspector before we will install a bi-directional meter.

You may need a building permit to install a DG system. Start by contacting your county planning or permitting department. Find out what zoning regulations apply to non-dwelling structures on your property.

Ask if DG systems are specifically addressed by local ordinance, and if so, get a copy of the ordinance. You will need to know the permitting procedures and what documentation is required for your system. Check local land-use codes carefully for special zoning ordinances that authorities may have overlooked.

### Why do I have to carry liability insurance?

It is very common for businesses and individual homeowners to carry liability policies to insure against loses or claims. Member-consumers should not view carrying liability insurance on a DG system any differently than the liability insurance on any other personal property. Insurance is carried to provide coverage for damages to others, for example, if someone comes in contact with the electric system. It is up to the owner of a distributed generation system to provide insurance coverage.

Access