

# Frequently Asked Questions About Renewable Energy Generation and Net Metering

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## 1. What is Alger Delta's position on renewable energy generation?

Today's changing energy landscape is bringing more attention to renewable energy resources, including wind, photovoltaic's (solar panels) and hydro generation. All of Michigan's electric cooperatives – including Alger Delta – support renewable power generation provided it is safe, reliable, and environmentally responsible.

## 2. What is required by the cooperative if I install renewable energy generation?

When considering the installation of any renewable power generation facility or equipment, several things must be considered including:

- ✓ safety of the cooperative's employees;
- ✓ safety of the general public;
- ✓ the protection of the cooperative's power distribution system; and,
- ✓ fairness to other cooperative members.

The first step is to complete an Interconnection Application. This document describes the basic scope of your renewable energy generation project. You must submit certain technical data and a fee with the application. When the application is complete, Alger Delta will provide appropriate technical guidance and describe the requirements for interconnecting your project to Alger Delta's power distribution system.

Prior to connecting a facility to the power distribution system, a written agreement between the cooperative and the project owner is required. This agreement helps ensure proper communication and that appropriate protections for you and the cooperative are in place. Consideration must also be given to meeting established technical requirements for operating a renewable energy generation source and for dealing with the installation, maintenance, metering, and liability issues. Alger Delta can provide you with more details regarding these requirements.

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## **3. Once I purchase renewable energy generation equipment, such as solar panels or a wind generator, how long will it take before it is generating electricity?**

This will depend on several variables including the terms and conditions of an interconnection agreement, construction time, availability of necessary equipment, weather, etc. By working together, a timeline can be established taking into account the variables related to connecting to the power distribution system.

Before investing in any alternative power generation equipment, it is strongly advised that you consult with Alger Delta representatives to gain an understanding of the requirements and expectations for both you and the cooperative.

## **4. Which vendors should I work with?**

Each member must decide this for themselves. Alger Delta does not endorse or recommend any manufacturers, vendors, or contractors.

## **5. Why does Alger Delta have so many requirements before a renewable energy power generator can be connected?**

These requirements address issues of safety, system integrity and economic fairness. By following these requirements, every member considering alternative generation is treated equally and we can ensure that alternative generation will not cause technical problems for other members of the cooperative.

## **6. What if I disagree with some of the requirements of the cooperative — what is the process for challenging this?**

Since Alger Delta is your cooperative, it is our goal to work with you to address questions and concerns. However, many of the requirements are based on rules, regulations, or technical requirements that Alger Delta cannot modify.

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## 7. Do I have to have two meters if I install alternative power generation?

Alger Delta will decide the best way to measure energy consumption and energy generation and the best way to do this may vary from one type of installation to the next. Some installations require two meters and other installations only require one meter. In either case, the member is responsible to provide the meter box, wiring, piping, etc. and Alger Delta is responsible to provide the meter(s).

## 8. What rebates or incentives are available?

Incentives may be available in the form of tax credits, low interest loans, or grants. Tax attorney's, accountants, technical advisors, or equipment sales companies and manufacturers may be able to advise you on the availability of various tax credits, tax incentives, loans, grants, or other financial programs relating to the installation of alternative power generation. Your state or federal representatives may also be good sources of information.

## 9. How much will I get paid for the energy I generate?

There will be times when you produce more energy than you consume. When this happens, you will receive a credit for each kilowatthour (kwh) you produce. The credit is equal to Alger Delta's retail rate per kilowatthour. On a monthly basis, the value of the energy you generate is netted out against the cost of the energy you consume. If you consume more energy than you generate, you will be billed for the difference. If you generate more than you consume, you will be given a credit for the net excess energy you generate. If you receive a credit, it will be carried forward and applied to the next month's bill. This process continues from month to month throughout the calendar year. There might be times when you will be paid for the balance of all net excess generation (if any) and the account will be reset to zero.

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## 10. What inspections or approvals do I have to get?

State law requires that renewable energy generating facilities shall comply with the National Electric Code (NEC). All renewable energy generators must be inspected and approved by the electrical inspector for your area. Alger Delta will not connect a facility that has not been inspected and approved.

## 11. Are there any special equipment requirements that I should know about?

Yes. Michigan state law requires that you install an interactive inverter between your renewable energy generating facilities and our distribution system. In very general terms, an interactive inverter is a device that monitors the direction of current flow and other operating parameters and in the event of an outage on Alger Delta's power system, will disconnect your equipment from the distribution system. This helps keep our employees and the public safe and reduces the possibility of damage to equipment. You must consult with the manufacturer of your renewable energy generator and your electrical contractor to select and install an interactive inverter that is appropriate for your equipment.

## 12. Who should I talk to if I need more information or have additional questions?

You should call Alger Delta at 906-428-4141. Another resource is the Michigan Public Service Commission at 517-335-1600. Tell the operator you wish to talk to someone about "alternative power generation" or "net metering." Finally, you can find information about customer owned generation at [www.michigan.gov/mpsc](http://www.michigan.gov/mpsc).

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