



# District of Columbia Public Service Commission

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202.626.5100 \*\*\* [www.dcpsc.org](http://www.dcpsc.org)

## Fact Sheet:

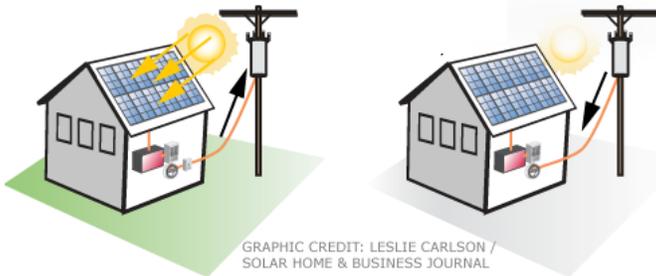
### Net Energy Metering for Customer-Owned Generators in the District of Columbia

Net Energy Metering (“NEM”) is a program adopted by the D.C. Public Service Commission (“PSC”). NEM allows customers who have their own qualifying generation such as a solar generator that produces electricity for part of their own use. This allows NEM customers to generate and sell excess electricity back to the grid. NEM meters measure electricity flowing to and from Pepco’s electrical distribution system. When NEM customers need more electricity than they generate, they use electricity from the grid. When NEM customers use less electricity than they generate, the excess energy goes back to the grid and NEM customers receive a credit on their next month’s bill.

#### How Net Metering Works

When your solar system is producing more energy than you use, your meter runs backward and you may build up a credit with the utility.

When your system produces less electricity than you use, the utility will apply the credit you’ve built up to offset the cost.



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SOLAR HOME & BUSINESS JOURNAL

#### Frequently Asked Questions about NEM

1. **Q. What is customer generation?**

A. Customer generation refers to residential and commercial customers that own, lease or contract, and operate an electric generation facility on their premises. To qualify for NEM service, the generation facility must have a capacity of not more than 1,000 kilowatts, and the facility must be interconnected to Pepco’s distribution system. The generation facility must also be operated primarily for the purpose of offsetting all or part of each customer’s own electricity requirements. Finally, the facility must produce energy from renewable resources, such as solar, co-generation, fuel cells, or microturbines.

2. **Q. How does Pepco bill customers for NEM?**

A. The customer’s retail supplier bills NEM customers based upon the difference between the dollar value of kilowatt-hours (“kWhs”) they consume and the value of the kWhs they generate during each billing period. The difference between consumption and generation is referred to as the customer’s “net energy” usage.

3. **Q. Is a NEM customer billed any other charges?**

A. Yes. Net energy billing applies only to kWh usage charges. Residential NEM customers are also responsible for the fixed Customer Charge and commercial NEM customers are responsible for the fixed Customer Charge and any Demand Charges based on kW.

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4. **Q. What happens if a customer's generation facility produces more electricity than the customer needs or consumes during the billing period?**  
A. The customer earns a credit for their excess generation that would be applied to the customer's next bill. A credit is a compensation to the customer when he or she exports energy back to the grid.
5. **Q. Does a credit for excess generation expire if it is not used up in the current month?**  
A. No. If the full credit is not used during the current billing period, the remaining credit will be carried over to future bills until such time as the full credit has been exhausted.
6. **Q. How is the credit for excess generation calculated?**  
A. It is calculated on the dollar value of the kWh generated. The value is determined by the retail price charged by the customer's retail energy supplier .
7. **Q. Where can I find more information on the PSC's website about NEM rules and regulations?**  
A. Go to [www.dcpsc.org](http://www.dcpsc.org). Click on "Orders & Regulations" – "D.C. Municipal Regulations Title 15" – "Chapter 9, Net Energy Metering Rules" and "Chapter 40, District of Columbia Small Generator Interconnection Rules"
8. **Q. Where can I obtain NEM materials such as tariff and standard contract information from Pepco? How do I contact Pepco if I have net metering questions?**  
A. Go to <http://www.pepco.com/home/choice/dc/greenpower/>, or contact Pepco by phone or e-mail. Pepco's contact information is as follows:  
  
The Green Power Connection <sup>TM</sup> Team  
Pepco, A PHI Company  
202-872-2040 (phone) or 202-872-3228 (fax)  
[gpc-south@pepco.com](mailto:gpc-south@pepco.com)
9. **Q. Do I need a special meter to participate in NEM?**  
A. Yes. The smart meters are compatible with NEM. However, a special software fix must be done, so please contact Pepco to be sure that the meter is programmed for net metering. Contact Pepco's Green Power Connection Team as listed above.

**January 17, 2013**

*The District of Columbia Public Service Commission is an independent agency established by Congress in 1913 to regulate electric, natural gas, and local telephone companies in the District of Columbia.*