



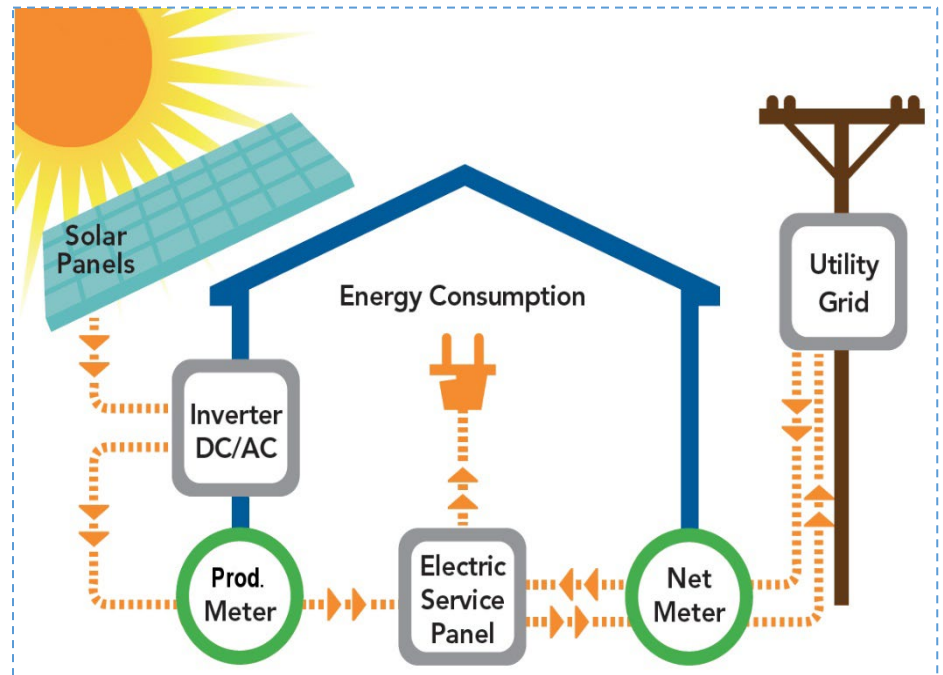
# How Net Metering Works

Net metering is a billing mechanism that credits homeowners or businesses for electricity added to the Holy Cross Energy (HCE) grid from a renewable generator, such as solar panels.

The net meter can only measure the electricity that flows across it, either into your home or back to the grid. Without a production meter, HCE does not know how much power your generator produced, only how much flowed back to the HCE grid.

## Consumption, Generation & Usage:

- When you use more electricity onsite than your PV system generates, you use electricity from the grid.
- When your PV system generates more electricity than your onsite electric use, the excess flows back to the grid.
- Each month, HCE calculates the difference between your generation and your use. This quantity, your monthly net usage, is used to calculate your bill.



## Banked kWh:

- When **generation** exceeds **consumption**, the unused kilowatt-hours (kWh) go into a kWh bank at the end of each month. Any unused banked kWh are carried forward to offset your electric use in a future month.  
*Minimum Monthly Charge: Banked kWh can only be used to pay for consumed kWh; you will always be responsible for your monthly customer charge plus applicable fees, taxes, and surcharges.*
- When you use more electricity than you generate, you will first use up any kWh in your bank. Then, you will pay for any net electricity use from the grid.
- Annually in April, we will pay you for any unused kWh and “zero out” your banked kWh. We calculate your payment by multiplying any unused banked kWh by our average wholesale power cost for the prior year.

## Production Meter:

- it is optional for all new net metering locations to install a production meter in addition to the net meter. The production meter measures the electricity your PV system generates. You are billed only on the data from your net meter, which records power flows in and out of your home or business.
- You can access hourly information for either meter on SmartHub, a data portal available 24/7 on our website ([www.holycross.com](http://www.holycross.com)).
- If you wish to add a production meter to an existing generator, please email [renewables@holycross.com](mailto:renewables@holycross.com) or call 970-947-5473. HCE will work with you and your electrician to retrofit your PV system.

## Understanding Your Bill

The second page of your billing statement details how charges are calculated.

### Scenario 2: PV System with No Production Meter Using Banked kWh

- This bill depicts a month when the member has used more grid electricity (**Cons = 484**) than generated (**Gen = 170**) by the PV system. The net value (**Net = 314**) is deducted from the member's banked kWh leaving a balance of 1,638 kWh. The billing statement does not reflect an "Energy Charges" line item where "Usage Units" and "Rate" values are designated.
- Net Consumption line (e.g., 226916/Cons)** shows electricity supplied from the grid (i.e., 484 kWh). This might occur after dark when a PV system is not generating.
- Net Generation line (e.g., 226916/Gen)** shows electricity that flows back into the grid (i.e., 170 kWh). This might occur during the middle of a sunny day.
- Net Usage line (226916/Net)** shows net usage for a billing period. This value is calculated by subtracting **Gen** from **Con** (e.g.  $484 - 170 = 314$  kWh\*\*). If **Net** is negative, these unused kWh are added to your banked kWh total.

| Services |          | Days | Meter Number | Readings |         | Multi. | kWh Use | Rate Code |
|----------|----------|------|--------------|----------|---------|--------|---------|-----------|
| From     | To       |      |              | Previous | Present |        |         |           |
| 12/08/16 | 01/08/17 | 31   | 226916/Cons  | 2906     | 3390    | 1      | 484     |           |
| 12/08/16 | 01/08/17 | 31   | 226916/Gen   | 5341     | 5511    | 1      | 170     |           |
| 12/08/16 | 01/08/17 | 31   | 226916/Net   | 97375    | 97375   | 1      | 314     | 21SN      |

| Description              | Usage Units | Rate | Charge  |
|--------------------------|-------------|------|---------|
| Customer Charge          |             |      | \$9.00  |
| Current Electric Charges |             |      | \$9.00  |
| WE CARE Surcharge        |             | 2.0% | \$0.18  |
| Local Gov UG Charge      |             |      | \$0.00  |
| Other Charges            |             |      | \$0.18  |
| County Tax               |             | 3.6% | \$0.34  |
| Town Tax                 |             | 3.5% | \$0.33  |
| Franchise Fee            |             | 3.0% | \$0.28  |
| Taxes & Franchise Fees   |             |      | \$0.95  |
| Current Balance          |             |      | \$10.13 |
| Banked kWh 1,638         |             |      |         |

\*\*This value, shown under the kWh Use column next to rate code 1N (in this example), is used to calculate your bill and any changes to your kWh bank.

### Banked kWh:

- Represents electricity you've carried over from a prior month when you generated more than you used.
- The value shown (1,638) is the current balance in your bank after this bill was calculated. The **Net** value of 314 kWh was subtracted from 1,952 banked kWh from the previous month's statement (i.e.,  $1,952 - 314 = 1,638$  kWh).
- Once the banked kWh has been exhausted, this line will not be printed.
- If your statement has a line item for "Electric Cost Adjustment" (refer to Scenario 1 statement), the kWh shown on this line in the second column will show you the total kWh for which you were billed (i.e., your net usage less any bank you used).

Please note that if your kWh bank offsets all electricity used in a billing month, you will still be subject to the Customer Charge, WECARE Surcharge, and any applicable taxes or fees. The Customer Charge pays for metering, billing, and a part of our member service costs.

In this example, no production meter was installed; therefore HCE would not know how much your solar system generated or how much electricity you used in total. Our meters only measure flow that crosses from our system into and out of your home. We cannot tell how much of the electricity from your solar system you used on-site while your system was active. If you want to add a production meter to an existing system, Holy Cross will work with you and your electrician to retrofit your solar system to install a production meter at your request. Please email [renewables@holycross.com](mailto:renewables@holycross.com) or call 970-947-5473 for more information.