

Net Metering at CVEA



CVEA implemented the Net Metering Program (Program) in 2012 when member interest in renewable energy alternatives, like wind and solar, had increased in popularity.

Net metering allows an eligible consumer to connect an approved renewable energy generation system to the CVEA grid in order to offset their normal usage and potentially sell back excess energy to the Cooperative.

After a thorough conversation including an open comment period and two public meetings, strict eligibility, availability, and interconnection standards were put in place for the protection of both the Cooperative and the consumer. These protections make electric system safety and reliability a top priority.

The standards adopted are very similar to those of other Programs implemented elsewhere in the state of Alaska.

Eligibility

To be eligible, a consumer generation system must produce electric energy derived from one or more renewable resources to include the following:

- Solar photovoltaic or solar thermal energy
- Wind energy
- Biomass energy
- Hydroelectric energy

- Geothermal energy
- Hydrokinetic energy
- Ocean thermal energy

The system must be operated, and either owned or leased, by a consumer that purchases retail electric utility service from CVEA. It must also be located on the consumer's premises, be used primarily to offset part or all of the consumer requirements for energy, be compatible with the Cooperative's system, and have a total nameplate capacity of no more than 25 kW.

In order to protect the Member and the Cooperative, there is also a minimum liability insurance requirement that must be met prior to interconnection to the CVEA system. A standard homeowner insurance policy has been found to be adequate in most cases.

Availability

Participation in the Program is generally available to eligible consumers on a first-come, first-served, basis with a few specific exceptions.

There exist specific and overall system limitations that can limit the number of consumers that can participate in the program. Specifically, the total nameplate capacity of all participants in the program may not exceed 1.5 percent of CVEA's



average retail demand, which at present is 210 kilowatts.

Interconnection may also be denied if a particular installation is expected to result in system stability constraints or create other operational issues.

Interconnection

Interconnection requirements are outlined in CVEA's Tariff; these requirements exist to ensure the safe and reliable operation of the consumer-owned alternative generation system that will be connected to, and operated in parallel with the CVEA system.

The process for a member to participate in the Program is straightforward and has been in place since 2012. The complete details of eligibility, availability, and interconnection requirements are outlined in CVEA Tariff 3, Section 17. Anyone interested should first review Section 17 of the Tariff, which can be found on cvea.org.

Members interested in installing a net metering genera-

tion system at their home or business are required to submit an application. The application is written in such a way as to ensure the consumer understands the requirements and what it takes to meet them. A trained CVEA representative is available to help the applicant as they work through this process. We cannot stress enough the importance of carefully following and complying with the application process.

Since the implementation of the program in 2012, five CVEA members are currently generating power utilizing approved solar generation systems.

For each consumer participating in the Program, CVEA measures the net electric energy during each monthly billing period. Most consumers participating in the Program will simply offset their usage. If CVEA continues to provide more energy than the consumer generates, standard CVEA rates will apply.

For consumers whose monthly usage is less than their monthly generation, their account will be credited with an amount derived by multiplying the kilowatt hours of net electric energy supplied back to the Cooperative by the Nonfirm Power Purchase Rate, or average avoided cost of fuel. This rate is calculated periodically; at least every 12 months to reflect current fuel costs. During 2014 the Nonfirm Power Purchase Rate has been 19.12 cents per kilowatt hour.

In 2014 the five installations, which have a nameplate capacity of 27.15 kilowatts, have sold 5,042 kilowatt hours back to CVEA and have collected \$371.23 for that energy.

CVEA is presently evaluating the two-year old Program in light of the development of the Allison Creek Hydroelectric Project. In 2016, when Allison comes online, the Cooperative will have surplus hydroelectric energy in the summer months. This circumstance could affect the Nonfirm Power Purchase Rate paid to net metering consumers who install their projects after Allison Creek comes online. These changes, like all changes to the CVEA Tariff, will be noticed to Members and there will be an opportunity for member comment.

For detailed information or questions on the Program, contact Steve Bushong, CVEA System Engineer, at 907-835-7004 or email bushong@cvea.org. ■

This article does not contain detailed information of all of the eligibility, availability, and interconnection requirements. All information can be found in the appropriate sections of the CVEA Tariff located at <http://www.cvea.org/resources/pdfs/tariff.pdf>