



NIPSCO Net Metering Frequently Asked Questions

What is Net Metering?

Net metering is the measurement of the difference between the electricity that is supplied by NIPSCO to an eligible net metering customer and the electricity that is supplied back to NIPSCO by an eligible net metering customer. Production is measured on a kilowatt per-hour (kWh) basis. Customers receive a credit for each kWh provided to NIPSCO.

Who Qualifies as an Eligible Net Metering Customer?

A customer in good standing that owns and operates a solar, wind, biomass or new hydro-electrical generating facility that:

- Has a nameplate capacity less than or equal to 1 megawatt (MW)
- Is located on the eligible net metering customer's premise
- Is used primarily to offset all or part of the eligible net metering customer's own electricity requirements

What Does a "Customer In Good Standing" Mean?

A customer whose account is not more than 30 days in arrears and who does not have any legal orders outstanding pertaining to NIPSCO, is considered a customer in good standing as it pertains to net metering.

What Does "Nameplate" Capacity Mean?

Nameplate capacity is the full-load, continuous rating of a generator under specified conditions as designated by the manufacturer.

Can a Net Metering Customer Bank Electricity For Multiple Locations?

No. Under the net metering agreement, only one customer account can bank excess electricity produced by a qualified renewable generation source on the property of the participant customer account. Customers with multiple locations or a large amount of excess generation should consider the Feed-In electric rate program. The Feed-In tariff (Experimental Rate 850) allows the customer to sell generated power to NIPSCO under a power purchase agreement. See NIPSCO.com for details.

How Will A Net Metering Bill Be Calculated?

NIPSCO will measure the difference between the amount of electricity delivered by the utility to the customer and the amount of electricity generated by the customer and delivered to NIPSCO during the billing period, in accordance with normal billing practices. If the kilowatt-hours (kWh) delivered by NIPSCO to the customer exceed the kWh delivered by the customer, the customer shall be billed for the kWh difference under the normal billing procedure used for the electrical tariff under which the customer is receiving electrical service. If the kWh delivered to NIPSCO by the customer exceeds the kWh supplied by NIPSCO during the billing period, the customer shall be credited in the next billing cycle for the kWh difference.

How Often Will a Net Metering Customer's Meter Be Read?

NIPSCO will read the customer's meter as near as practical to the end of the normal billing cycle. NIPSCO will provide the net metering reading to the customer as part of the monthly billing data.

Are There Any Installation Costs To Participate?

Yes and the costs can vary greatly. The customer is responsible for any installation costs of the renewable generation unit to ensure it meets NIPSCO's interconnection standards and agreement. These costs will be outlined in the application review process. Visit NIPSCO.com for more details.

Is Insurance Coverage Required?

Yes. An eligible net metering customer operating a net metering facility shall maintain homeowners, commercial or other insurance providing coverage of at least \$100,000 for the liability of the insured against loss arising out of the use of the net metering facility.

Who Maintains the Renewable Energy Credits?

Customers that choose to net meter their qualified facility maintain the renewable energy credits.

Are There Interconnection Requirements?

Yes, the interconnection requirements are:

- The customer's net metering facility shall comply with Underwriters Laboratories (UL) standard 1741, as revised January 17, 2004.
- The customer shall provide NIPSCO proof of qualified installation of the net metering facility. Certification by a licensed electrician shall constitute acceptable proof.

- The customer shall install, operate and maintain the net metering facility in accordance with the manufacturers' suggested practices for safe, efficient and reliable operation in parallel to the NIPSCO's distribution facility.
- NIPSCO may isolate the net metering facility if it believes continued interconnection creates or contributes to a system emergency. The customer shall install a lockable manual disconnect switch at the delivery point for isolation of the net metering facility from the NIPSCO distribution facility.
- NIPSCO may perform reasonable on-site inspections to verify the proper installation and continued safe operation of the net metering facility and interconnections at reasonable times and upon reasonable advance notice to the customer.
- The customer will grant NIPSCO access to customer's property, at all reasonable times, to allow NIPSCO to carry out its duties under this agreement.
- The customer will provide NIPSCO with 10 day's notice of any changes that it intends to make to the customer equipment or the customer's facilities that may affect NIPSCO's equipment or NIPSCO's system. Whenever the customer becomes aware that it may be violating the above qualifying standards, the customer shall promptly contact NIPSCO with whatever information the customer may have and shall confirm such information by formal notice to NIPSCO within 10 days.

How Do I Begin The Net Metering Process?

The process begins with a completed interconnect application; fees may apply depending on size of project. The application should be sent to the Business Link department. See NIPSCO.com for application and details. Upon receipt, the application will be reviewed for credit worthiness, and if approved, forwarded to electrical system planning for technical review.

What Happens After Technical Review?

If the project is approved without additional engineering study; the project will be assigned to a distribution engineer. The engineer will contact the customer upon receipt of the approval to schedule an on-site inspection of the customer's facility to determine if the customer is eligible for net metering. Once the inspection is complete, a Net Metering Interconnection Agreement has been executed, and copies of proof of insurance and proof of qualified installation have been provided, a NIPSCO meter capable of measuring exported electricity will be installed and the customer's facility can be interconnected to NIPSCO's electric system.

When Can I Interconnect My Facility to NIPSCO's Electric System?

A Net Metering Interconnection Agreement between NIPSCO and the eligible net metering customer must be executed before the net metering facility may be interconnected with the NIPSCO electric system.

What Are The Procedures I Must Follow If I Choose Not To Net Meter With My Renewable Energy Facility?

You must still complete the Application to Interconnect and submit it to NIPSCO so the company has a record of the facility for outage and system emergency purposes.

What Happens to My Net Metering Agreement If I Sell My Property?

An assignment of agreement can be executed to transfer the agreement to the new owner.

What is Total Net Metering Capacity Allowable under the Net Metering Rules?

The Total Net Metering Capacity allowable to all eligible customers is 30 megawatts (MW), forty percent (40%) of which shall be reserved for use by residential customers.

If The Capacity Is Limited How Are The Applications Being Processed?

Applications are processed in the order received. IF an application is received after the net metering capacity is met, the applicant will be informed they are on a waiting list and neither the application nor fees will be processed. The customer officially goes in the queue for Net Metering when Interconnection and Net Metering Agreements are executed.