LET'S TALK ABOUT

NET ENERGY METERING

Net Energy Metering (NEM), often just called "Net Metering," is a billing mechanism that encourages people and businesses to invest in small-scale renewable energy systems connected to the grid.

Under NEM, the host/owner receives a credit for the excess electricity that the system generates, which is exported to the local distribution system.

This excess energy is not stored, but used immediately by the closest consumer. **Instead of buying grid power from far away, it goes to benefit your neighbors.**

In NH, the reimbursement for that excess generation comes as a **financial** ($/kWh) credit on your bill. These credits reduce your electricity bill, resulting in a lower "net" energy bill at the end each month.

SO, HOW DOES NET METERING WORK?

1 Generate

Solar panels convert energy from the sun into electricity

2 Usage

Your home uses electricity from the solar panels and the electrical grid as needed

3 Energy Flow

Excess energy from your solar panels flows into the electrical grid

4 Meter

Your utility meter measures the electricity you send to and use from the grid

5 Billing

Your utility credits you for the $ value of the electricity sent to the grid, and your final bill amount is "net" of consumption

NEM programs vary by state and utility, but generally provide a way Granite Staters to choose to take control of their energy production without having to also invest in energy storage to capture the full value of the energy.

The result? More systems can be installed at a lower overall cost, reducing the owner/host electricity costs.

ELECTRICITY SUPPLY

Refers to the costs of the electric power, and is reported as the cents per kWh, paid for the electricity coming from regional power plants.

- The supply charges pay for the electricity itself as well as "capacity"—which ensures there are enough power plants to meet demand—renewable energy programs, and other costs associated with the competitive electricity supplier.

This rate will fluctuate every few months to account for changes in the wholesale electricity market.

ELECTRICITY DELIVERY

Electricity delivery is provided by 1 of 3 regulated electric distribution companies (i.e., Eversource, Unitil, Liberty) or the NH Electric Coop.

Electricity delivery charges cover:

- Costs of local grid construction, maintenance, and management
- Regional transmission system upkeep
- Other system costs that don't vary seasonally, like the cost of the state's energy efficiency programs

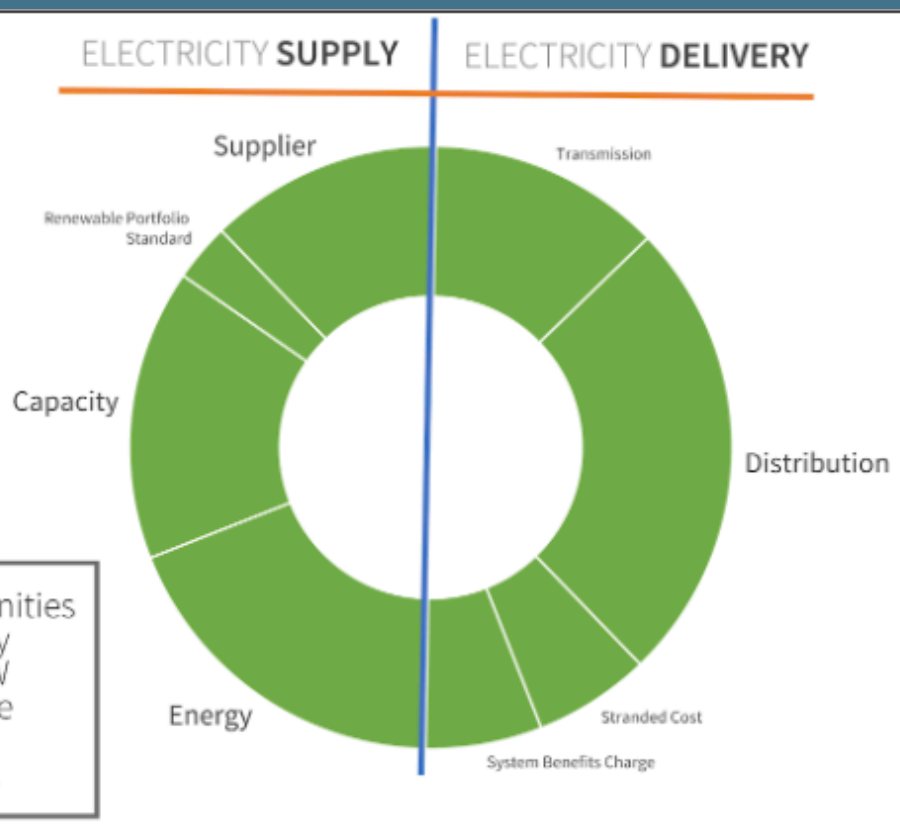
NEM rates vary wildly from state to state. In a 2017 decision at the NH PUC, NH regulators cut the reimbursement rate for small (<100 kW) systems.

This was a roughly 30 percent cut in the reimbursement rate, and as a result we currently have the lowest NEM rates in New England.

NEM 1.0

Old Net Metering: Small Renewables (<100 kW)

Residents, businesses, and communities that installed renewable energy generators smaller than 100 kW prior to September 2017 receive a net metering credit equal to the **full retail electricity rate.**

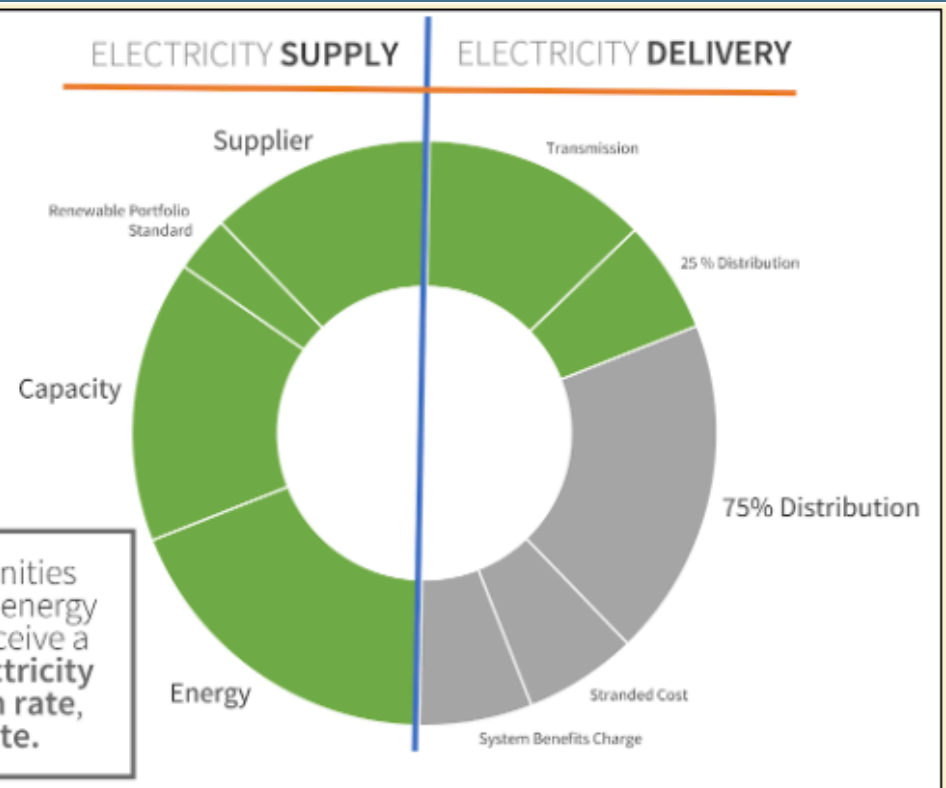


Example: If the retail rate for electricity is $0.18 per kilowatt-hour, and these local renewable generators supply electricity to the local distribution grid, they receive a credit of $0.18 per kilowatt-hour.

NEM 2.0

New Net Metering: Small Renewables (<100 kW)

Residents, businesses, and communities that installed small-scale renewable energy generators after September 2017 receive a net metering credit equal to the **electricity supply rate**, plus, the **transmission rate**, plus, **25% of the distribution rate.**



Example: If the electricity supply rate is $0.08 per kilowatt-hour, the transmission rate is $0.02 per kilowatt-hour, and the distribution rate is $0.04 per kilowatt-hour, these systems receive a credit of $0.11 per kilowatt-hour.

CLEAN ENERGY NH

Your Voice in All Energy Matters