FAQ's for PPL Electric Utilities

Customer-owned Renewable Generation Projects

1. What is Pennsylvania Act 213?

Pennsylvania Act 213 requires electric utilities and generation suppliers to ensure that a certain percentage of the generation sold to Pennsylvania customers comes from alternative energy sources.

For example, PPL Electric Utilities purchases electricity supply for customers who don't choose a supplier. In 2010, more than 8 percent of that power must come from alternative energy sources, including hydropower, wind power, solar power and other sources. That requirement gradually climbs to 18 percent in 2020.

The regulations also establish the "net metering" and compensation provisions that allow utilities to reimburse customer-generators for surplus energy supplied to the electric grid. Additionally, the act establishes regulations governing interconnection for customers that generate power. This includes rules regarding the application and evaluation process and interconnection standards. Please visit http://paaeps.com/credit for more information.

2. Can I connect a small renewable generation system to PPL Electric Utilities' delivery system?

Yes, with our permission. You must first submit an application for interconnection and meet certain requirements before you can connect to our delivery system. These requirements ensure that your system is compatible with ours, meets our safety standards and will not jeopardize delivery system reliability. For more information, visit our Customer Owned Generation Website web pages.

3. How do I apply for interconnection?

We can guide you through the interconnection process. If you're considering a generation project, call us at 1-800-342-5775. To access our interconnection applications online, use one of the following links: Inverter-based 10 kW or smaller or Generation is 10 kW to 10,000 kW.

For the quickest response, please e-mail your completed application and all applicable information to the appropriate e-mail address below:

renewableenergyapplications @pplweb.com
 For systems 25 kW or smaller and being installed at a location with single-phase service.

businessaccounts @pplweb.com
 For any system larger than 25 kW and systems of any size being installed at a location with three-phase service.

4. Is there an application fee?

There is no application fee.

5. Are there any costs to connect?

If the interconnection requires changes to our equipment or facilities, you may be responsible for our costs to design the changes and buy and install the necessary equipment.

6. Must I sign a contract?

Yes, you must sign an interconnection agreement with PPL Electric Utilities. Additional service and construction agreements may be required for larger projects under the jurisdiction of PJM Interconnection.

7. Will I be paid if I generate more power than I use?

You may be compensated for excess power that you produce if you qualify as an alternative energy generator under Pennsylvania Act 213. Here's how it works:

- Your meter will spin backwards at times when you're producing more electricity than you're using, and forwards when the opposite is true.
- At the end of the monthly billing period, when we read the meter, we'll measure the net result. This is called "net metering.
- If you generate more than you use during a particular month, your
 electricity bill will show zero kilowatt-hours used. You will only pay the
 monthly minimum distribution charge. For residential customers, this is
 simply the customer charge. Demand charges still apply for business
 customers.
- If, at the end of the year, the net result is that you've generated more electricity than you've used, you will be paid a lump-sum payment for that electricity. Prices and payments are made per our <u>tariff</u>. Essentially, we'll pay you the same amount for your excess power that you would pay us.

8. Will I still get a bill if I generate more power than I use?

Yes. If you are a residential customer, you will still receive a bill for the monthly minimum distribution charge for your rate schedule. This is simply the customer charge. No usage charges would apply.

If you are a business customer, you would still receive the customer charge, if applicable for your rate schedule, and demand charges.

9. Will PPL Electric Utilities meter how much power I produce?

Our meters will track the excess power that you produce – electricity that flows into our delivery system for use by others. They do not track the total electricity generated by your system. To record your system's total output, you will need to have a qualified professional supply and install an additional meter.

10. Will my generating system provide emergency power during a power outage?

Not if it is connected to our delivery system. For safety reasons, renewable generation systems that are interconnected to the power grid will not supply power to your home or business if an outage occurs. This protects your equipment from overloading and protects personnel who may be working on electrical equipment in your area to restore power.

11. Could generation systems be modified to supply power during a power outage?

Yes. Your system must be set up so that it can be isolated from our distribution system. This protects our linemen and work crews by ensuring that no electricity is delivered to our power lines during the outage. If you would like your system to be set up this way, you must notify PPL Electric Utilities of your intention and consult with your contractor.

12. Can I shop for electricity supply if I also generate my own power?

Yes. All customers, regardless of rate schedule, have the right to choose a generation supplier. If you are a shopping customer, we will net your usage each billing period. If you are a shopping customer that has generated more than you have used on an annual basis, you will need to contact your chosen supplier to determine if the supplier will pay you its supply price for your excess power.

13. Will the system become outdated?

Consult your contractor as new technologies are always emerging.

14. Are grants available from PPL Electric Utilities or for renewable generation?

For the latest information, please visit www.pplelectric.com/save-energy-and-money. For an overview of state, local, utility, and federal incentives, check the Database of State Incentives for Renewables & Efficiency (DSIRE) at www.dsireusa.org.

15. What are alternative energy credits?

Alternative energy credits are tradable commodities that can be sold separately from the power produced by qualifying alternative energy facilities. A credit is produced when a megawatt of electricity has been generated from a qualifying facility.

Credits are issued through a program administered by the Pennsylvania Public Utility Commission. For more information, visit http://paaeps.com/credit.

16. Will my project produce alternative energy credits that I can sell separately?

Energy credits are based on energy produced by the generator. To get one credit, your generator must produce at least 1,000 kWh.

17. Are RTS customers eligible for net metering?

RTS customers are not eligible for net metering, meaning they are not paid for excess power generated and supplied to our delivery system. These customers can switch to our RSO Rate Schedule and receive compensation for excess power that's produced.

18. May I sell power to my neighbor?

No. Only licensed electric generation suppliers subject to PJM and Pennsylvania Public Utility Commission regulations may sell power to customers through agreements with PPL Electric Utilities, PJM or a third-party.

19. What is virtual meter aggregation?

Virtual meter aggregation is the combination of meter readings and billing for multiple meters, regardless of rate class. The meters to be combined must be on properties owned or leased and operated by a customer-generator. In addition, the meters must be located within two miles of the boundaries of the customer-generator's property and within a single electric distribution company's service territory.

20. When is my generation system under PJM jurisdiction?

A project is under PJM jurisdiction if the generator's capacity is greater than 2,000 kilowatts or if it is strictly a merchant generator built to sell generation supply to others.

PJM, the regional transmission organization, ensures the reliability of the electric power supply system in 13 states and the District of Columbia. It reserves the right to review projects with generating capacities less than 2,000 kilowatts if there is already another interconnected generator on the same electrical distribution line that feeds into our main delivery system.

21. Where can I learn more about renewable energy?

The following Web resources may be helpful in finding additional information on renewable energy technologies and equipment suppliers. PPL Electric Utilities cannot endorse or validate the accuracy of the information on these sites.

American Wind Energy Association	www.awea.org
Build It Solar	www.builditsolar.com
PA AEPS Alternative Energy Credit Program	www.paaeps.com
PA Department of Environmental Protection	www.depweb.state.pa.us
PA Department of Environmental Protection – Energy Independence Strategy	www.depweb.state.pa.us/energyindependent
Database of State Incentives for Renewables & Efficiency	www.dsireusa.org
Find Solar	www.findsolar.com
Home Power Magazine	www.homepower.com
Solar Energy in Pennsylvania	www.pasolar.org
Renewable Energy Installation Businesses in Pennsylvania	www.energy.sourceguides.com
U.S. Department of Energy – Energy Efficiency and Renewable Energy	www.eere.energy.gov
National Renewable Energy Laboratory	http://rredc.nrel.gov/solar/old_data/nsrdb