

Third Party Frequently Asked Questions (FAQs)

What is a customer generator? A customer-generator is a nonutility owner or operator of a net metered distributed generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service or not larger than 3,000 kilowatts at other customer service locations.

What is Net Metering? The Commission's regulations define net metering as "the means of measuring the difference between the electricity supplied by an electric utility or EGS and the electricity generated by a customer-generator when any portion of the electricity generated by the alternative energy generation system is used to offset part or all of the customer-generator's requirements for electricity".

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.

How do I apply for interconnection? We can guide you through the interconnection process. If you are considering a generation project, call us at 1-800-342-5775. To access our interconnection applications online, use the following link: <https://www.pplelectric.com/at-your-service/electric-rates-and-rules/customer-owned-generation.aspx>

Is there an application fee? At the current time, there is no application fee.

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 install the necessary equipment.

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

What happens if I enter into a Power Purchase Agreement with a Third Party for my renewable energy installation? It is allowed; however, PPL Electric is not responsible for the terms and conditions between the building owner and the Third Party. Furthermore, the Application and Interconnection Agreement for the interconnection is always between PPL Electric and the building owner (customer-generator).

What if I oversize the installation and generate less electricity than I use? Your Distribution related savings at the service with the generation will be limited to your kWh consumption times the cost per kilowatt hour in your Rate Schedule. Any excess kWh generated does not receive any Distribution related savings.

Where can I find my most recent 12-month kWh consumption? Refer to the Table under the kWh profile on your electric bill.

How do I estimate my most recent 12 month kWh consumption if I have a new service or do not have 12 months of actual historic data? The customer-generator and/or developer must provide an estimate of annual electric consumption for the new building and demonstrate that the system design does not exceed 110% of the annual estimated consumption. The customer-generator and/or developer must provide adequate support for the estimated consumption with the interconnection application, which may include one or more years of historical usage or estimates based on similarly equipped and utilized buildings.

Will I be paid if I generate more power than I use? You may be compensated for excess power that you produce. Here's how it works:

- Your meter will spin backwards at times when you are producing more electricity than you are 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 (coinciding with the PJM end of year – May), the net result is that you have generated more electricity than you have used, you will be paid a lump-sum payment for that electricity. Prices and payments are per our tariff. Essentially, we'll pay you the same amount for your excess power that you would pay us.

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.

Can I shop for electric 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 for your excess power.

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 they produce.

How much energy does a solar panel system produce? Solar electric systems in the PPL Electric service territory produce more than 1,100 kilowatt-hours (kWh) per year per kilowatt dc (kWdc) installed. However, depending on the tilt, orientation and shading of the solar panels and the type of smart inverter you select, your system may produce more. Your energy consultant will work with you to decide how much energy you are using and map the solar installation to meet those needs.

Is it cost effective for me to install a renewable energy system? The Company cannot make this decision. It's up to you to make this determination. There are many factors to consider such as the total installed cost of your system including maintenance costs, how much energy it will produce, the value of the energy you offset or won't have to purchase, and how long will the system last.

What is Virtual Metering? Virtual meter aggregation is the combination of readings and billing for all meter, regardless of rate class, installed on properties owned, or leased and operated by a renewable customer-generator by use of PPL Electric Utilities' billing process, rather than through physical rewiring of the renewable customer-generator's owned or leased property for a physical, single-point of contact. The renewable customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

If I own buildings within two miles of the proposed generator installation, what Virtual Metering limitations apply to the aggregated load? With respect to virtual meter aggregation, the 110% consumption limitation applies to the cumulative consumption of all meters that qualify for virtual meter aggregation.

Additional Resources...

PVWATTS calculates solar energy production: http://gisatnrel.nrel.gov/PVWatts_Viewer/index.html

Energy Efficiency & Renewable Energy Network: www.eere.energy.gov/