Colorado

Rooftop Solar and Net Metering FAQs



Your local utility can help you...

May I connect solar PV (photo voltaic) panels to my home and the electric grid?

Yes. First you will need to contact your local electric utility. There are rules for connecting to the electric grid for everyone's safety and the reliability of the grid.

Will solar energy reduce my electric bill?

Yes. The electric energy produced by your solar PV system will reduce the amount of energy you need to purchase from your electric utility. Depending on the size of the PV system, you will reduce your electric bill or you may get a credit on your bill for energy sent to the utility.

What happens on cloudy days and at night?

On sunny days your solar PV system will produce some of the electric energy you use in your home. On cloudy days and at night you will continue to receive electric energy from your local electric utility.

What is net metering and how does it work?

The electricity produced by your solar panels first supplies the needs in your home. If you need more electricity than your solar panels produce, the extra electricity is supplied by your local electric utility as usual. Any energy produced by your panels which is not needed in your home is sent to the electric utility. That energy sent to the utility is returned to you later when you need it, at no cost to you.

What if my solar panels produce more electricity than I need?

Electric energy your solar panels produce above your needs at any time goes to the electric utility. The utility records the amount of energy sent to it and the amount of energy delivered to your home. At the end of the billing cycle (usually one month), the utility determines the "net" energy delivered to your home. The "net" is the difference between the amount of electric energy delivered to you and the amount of energy sent to the utility. If the net is toward your home, you pay for that energy as you normally would in your electric bill. If the net is toward the utility, you receive an energy credit to apply to your next month's bill. At the end of the year, any energy credit remaining is paid to you at the utility's avoided cost rate. You will continue to be billed a customer charge each month which pays for unavoidable costs such as accounting, meter reading and infrastructure.

What is the avoided cost rate?

The avoided cost rate is the cost of energy the utility saves by not providing all the energy your home needs. The avoided cost rate for Yuma Utilities is \$0.02553 per kWh.

How big can my solar PV system be?

Net metering is available for solar PV systems of up to 10 kW for residential customers and up to 25 kW for commercial customers. Systems larger than these limits may be connected to the utility, but they will not be net metered (the calculated monthly net difference). For these larger systems, all electric energy delivered to the utility will be purchased by the utility at the avoided cost rate and all electric energy delivered to the home or business will be billed at the retail energy rate.

Do I need permits to connect a solar PV system to the electric utility?

Yes. You will need a building permit and an electrical inspection by your county building safety codes department. You will also need to complete an application form and an interconnection agreement with your local utility. The utility will also check your system for following utility safety and operational requirements before allowing you to connect to the electric distribution system.

What equipment is required to connect to the electric utility distribution system?

The utility requires the property owner to purchase and install a meter socket on the generator output and a lockable disconnection switch. Both items must be easily accessible to utility personnel. The utility will provide special metering equipment at no additional expense to you.

Is there a fee to connect to the utility electric distribution system?

Yes. The processing fee is \$250 for systems up to 25 kW and \$500 for systems larger than 25 kW. This one-time fee pays for personnel time to set up your account and to inspect your system.

Are wind turbines treated differently?

No. A small wind turbine will be treated the same as a solar PV system.

Additional Resources

The following online resources provide more information regarding solar power and energy efficiency:

American Solar Energy Society - www.ases.org

Building America Solution Center (U.S. Dept. of Energy) - https://basc.pnnl.gov

Energy Star (U.S. Environmental Protection Agency) - www.energystar.gov

National Renewable Energy Laboratory - www.nrel.gov

Database of State Incentives for Renewables and Efficiency - www.dsireusa.org

U.S. Dept. of Energy - www.energy.gov or www.solar.energy.gov

Solar Energy Industries Association - www.seia.org