



## Local Codes and Net Metering

### Codes & Ordinances

Before installing your solar system, you will want to work with your installer to ensure that your project complies with any applicable local codes and/or ordinances, such as:

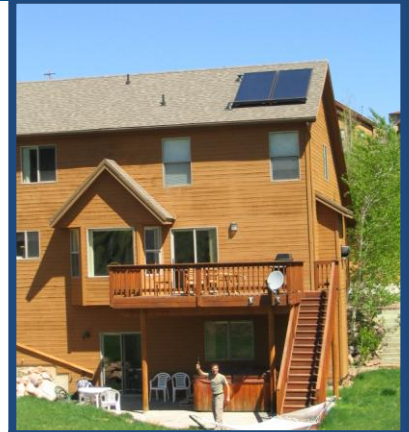
- County/City Zoning & Planning
- [Historic District Commission regulations \(Salt Lake City\)](#) For areas outside of Salt Lake City, contact your City or County
- Home Owner Association rules, regulations, and CC&Rs
- City/County building permit process

[Salt Lake City's Sustainable Code Revision Project](#) is a ground-breaking initiative to incorporate sustainability provisions (including solar access and solar rights) into zoning and subdivision ordinances.

**The Salt Lake City Building Department** is now offering expedited plan review to reward energy efficient and environmentally friendly construction by reducing plan review turnaround time for projects which meet the program requirements. [Learn more about the Salt Lake City Building Department Program here.](#) To qualify for expedited plan review your project must meet the following criteria:

- New permit applications must meet the design criteria for LEED (Leadership in Energy and Environmental Design) Silver or greater as established by the U.S. Green Building Council (USGBC) for commercial development.
- Residential applications are required to meet an [Energy Star Home Energy Rating System](#) (HERS) rating of 85 or better.

Contact your local government to learn about the codes and ordinances pertaining to solar and other renewable energy.





## Net Metering (Connecting to the Grid)

At any time of the day, your solar PV system may produce more or less electricity than your home or business needs. Net metering is a special billing arrangement for customers with solar PV systems (and other renewable energy systems) that allows customers to get adequate credit for the electricity their system generates. Under net metering, your electric meter keeps track of how much excess electricity is generated by the renewable energy system and sent back into the electric utility grid, and how much electricity you consume.



### Net Metering in Utah

In 2008, the Utah legislature and then Governor Huntsman passed and signed into law, respectively, Senate Bill 84, Net Metering Provisions, which made significant improvements to Utah's net metering policy. In February 2009, the [Utah Public Service Commission](#) opened a net metering docket to rule on the remaining provisions in the revised statute. The following provisions were adopted through the statute and rule changes:

- Increasing the commercial system cap size from 25 kW to 2 MW.
- Valuing excess generation from residential and small commercial systems as kilowatt hour credits.
- Adopting a system-wide capacity equal to 20% of RMP's 2007 peak demand (representing nearly 1,000 MW of net metered systems).
- Allowing customer-generated Renewable Energy Credits (RECs) to stay with the customer.
- Allowing large, commercial customers to choose the most favorable means to credit their excess generation (an innovative attempt to address the challenge of commercial customers with high demand charges).

In the end, the statute changes and PSC ruling removed critical barriers to distributed renewable energy generation and helped Utah earn an "A" grade for net metering in the [2009 Freeing the Grid Report](#) (up from an "F" in 2007)! Utah's net metering policy requires Rocky Mountain Power and all Rural Electric Cooperatives to offer net metering; municipal utilities are exempt from the requirement, but many voluntarily offer net metering.

**How does net metering work?** When electricity is produced by the solar PV system, it will be used first to power your home or business. If your PV system produces more than you are consuming on site, this 'excess' electricity will go through the electric meter onto the utility grid to supply electricity to other nearby customers. When this occurs the meter registers the credits of that excess generation in kilowatt hours. These kilowatt hour credits roll over to the next month, where they are applied to your usage. These credits can be used to offset those times when you are drawing electricity from the utility (i.e. cloudy days, night time) provided you don't have a battery back-up system. Over a 12-month period, your utility bill should reflect the net kilowatt hours that you have consumed and produced. *(continued on pg. 3)*



Any remaining kilowatt-hour credits at the end of that 12-month period expire (in accordance with Utah law). Your utility bill will still reflect any monthly customer taxes and/or fees, as applied to all customers. Some utilities may assess additional monthly charges to net metering customers – you should inquire with your utility about their policies.

**How do I apply for net metering?** You will need to contact your local utility to request an application for net metering and/or interconnection, depending on the size of your system. If you are a Rocky Mountain Power customer, [you can get information and download their net metering application on-line](#). When you net meter with [Rocky Mountain Power](#), any excess generation (kilowatt-hours, or kwh) will be credited kwh to kwh; these credits carry forward to the following month, applied on your monthly bills. Excess credits can accrue April – March; all excess credits at the end of this annual period will expire. To apply and get [additional information](#), visit [Rocky Mountain Power](#).

### **What is Interconnection?**

The interconnection process is the process of getting approval from your local utility to connect a distributed generation system to their electric grid (or distribution system). When you apply to the utility for interconnection, the utility reviews your project to make sure there are no negative impacts on the grid. If potential impacts are identified, the utility will request additional review and in some cases will require you to pay for new equipment to protect the grid. Additional reviews and equipment generally do not apply to small renewable generation, but may apply to larger projects or more complex projects. Contact your utility to inquire about an interconnection agreement and application.

### **Interconnection in Utah**

Utah's Public Service Commission undertook a comprehensive review and revision of the state's Interconnection Standards. After nearly two years of stakeholder involvement, public meetings, and public comments on draft interconnection standards, the updated (and improved) standards were adopted in April 2010. The new interconnection standards reflect best practices with respect to key interconnection issues, including:

- Increasing the Level I review to include systems up to 25 kW (up from 10 kW).
- Allowing aggregation of generators at a single location.
- Requiring standardized agreements.
- Removing the disconnect switch requirement for systems under 10 kW.
- Maintaining appropriate levels and fees for different system sizes.
- Expediting application review and approval procedures.

### **Learn more about Utah's Net Metering Policy, Net Metering and Interconnection:**

- [Powering Our Future: Solar Salt Lake Implementation Plan](#)
- [Utah Clean Energy](#)
- [Database of State Incentives for Renewables & Efficiency](#)
- [Interstate Renewable Energy Council](#)