JCP&L Net Metering
Frequently Asked Questions

What is "Net Metering"?

A residential or small commercial customer (non-residential electrical customers with less than 10 megawatts (MW) of peak demand) that generates electricity on the customer side of the meter is considered a "customer-generator". In New Jersey, net metering is a metering option that:

1) Credits customer-generators at the full retail rate for each kilowatt-hour produced by a Class 1 renewable energy system installed on the customer-generator's side of the electric revenue meter, up to the total amount of electricity used by that customer during an annualized period; and

2) Compensates the customer-generator at the end of the annualized period for any remaining credits, at a rate equal to the supplier/provider's avoided cost of wholesale power.

In New Jersey, all Electric Distribution Companies and suppliers/providers offer net metering to their residential and small commercial customers that generate electricity, on the customer's side of the meter, using Class 1 renewable energy sources, provided that the generating capacity of the customer-generator's facility does not exceed 2 MW, and does not exceed the customer's peak electric needs.

How does the Net Meter work?

After the system is installed at your location, JCP&L will install a bi-directional net meter which separately measures and records:

1) The kilowatt (kWh) hours delivered to you by JCP&L and used by you, the customer; and
2) The excess kilowatt hours received by JCP&L from you at those times when your customer- generator may be producing more energy than your home or business is using.

How Can I Read My Net Meter and Calculate My Bill?

Residential Net Metering Registers:

Depending on the rate you are on, you will have a meter with one of the two register groups listed below:

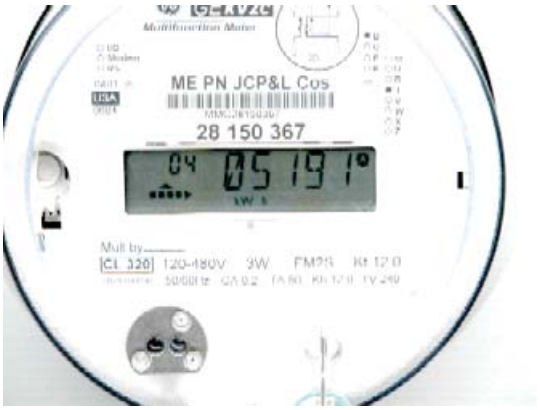
Residential Service Rate (RS - non Time of Day):

- Register ID 04= kWh Delivered to Customer
- Register ID 40 = kWh Received from Customer

Residential Time of Day Rate (RT):

- Register ID 05= kWh Delivered to Customer - On Peak
- Register ID 07= kWh Delivered to Customer - Off Peak
- Register ID 45 = kWh Received from Customer - On Peak
- Register ID 47 = kWh Received from Customer - Off Peak

Below is a photograph of an actual RS meter which is displaying the “04” Register ID. Please note the “04” in the upper left area of the electronic display. Each of the Register IDs will appear in this area of the display, indicating which register index is currently being displayed.



The register index in this case is the “05191”. The index is like the odometer in a car. It increases in increments only until it reaches “99999” and then it returns to zero.

In order to determine how much energy is either delivered (register 04) or received (register 40) over a period of time, the register index must be recorded at the beginning and the end of the period. The difference between the beginning and end readings is the amount of energy (kWh) delivered or received.

Calculation of Monthly Bill - Rate Category (RS) Residential Service

The amount you are billed for is the “Net” of these two quantities, i.e. “Delivered” minus the “Received”. For most customers, this “Net” number will always be greater than zero.

In the event this number is less than zero, the amount of excess energy JCP&L received from you will be stored and applied to your future bills until used up. On the anniversary of when the bi-directional meter was installed, the value of any unused excess kilowatt hours will be credited to your account at the wholesale cost of power.

Example:

Delivered Register “04”			Received Register “40”	
Current Index	78352		Current Index	27360
Previous Index	77845		Previous Index	27145
kWh Delivered	507		kWh Received	215
Net kWh Billed	292	(507 kWh delivered – 215 kWh received)		

Calculation of Monthly Bill - Rate Category (RT) Residential Time of Day

The netting and banking of on-peak and off-peak kWh's are done separately from each other.

On-peak kilowatt hours delivered are netted against On-Peak kilowatt hours received. If the Delivered kilowatt hours are greater than the Received kilowatt hours, the difference is billed at the On-Peak rate. Any excess On-Peak kilowatt hours received from the customer are recorded and stored in an On-Peak bank.

Off-peak kilowatt hours delivered are netted against Off-Peak kilowatt hours received. If the Delivered kilowatt hours are greater than the Received kilowatt hours, the difference is billed at the Off-Peak rate. Any excess Off-Peak kilowatt hours received from the customer are recorded and stored in an Off-Peak bank.

Example:

Delivered Register "05"		Delivered Register "07"	
Present On-Peak Reading	5,386	Present Off-Peak Reading	9,748
Previous On-Peak Reading	5,239	Previous Off-Peak Reading	9,382
On-Peak kWhs Delivered (Used)	147	Off-Peak kWhs Delivered (Used)	513
Received Register "45"		Received Register "47"	
Present On-Peak Reading	7,928	Present Off-Peak Reading	3,210
Previous On-Peak Reading	7,210	Previous Off-Peak Reading	2,910
On-Peak kWhs Received (Out)	718	Off-Peak kWhs Received (Out)	300
On-Peak kWhs Billed	0	Off-Peak kWhs Billed	213
Present On-Peak Banked kWhs	571	Present Off-Peak Banked kWhs	0
Previous On-Peak Banked kWhs	0	Previous Off-Peak Banked kWhs	0

In the above billing example, an excess of 571 kilowatt hours was generated and received from the customer during on-peak and are banked. A net of 213 off-peak kilowatt hours were delivered to the customer and the customer is billed for those off-peak kilowatt hours. The banked on-peak kilowatt hours will be applied to future bills when the on-peak kilowatt hours delivered to the customer are greater than the on-peak kilowatt hours received from the customer.

Gross Generation vs. Received Energy:

The amount of energy recorded on the "Received" register is not the same as the total amount of energy produced by your generation system. It is only equal to the amount leftover in excess of the loads in your house when the system is producing more than you are using.

Some systems have a meter register built in to the inverter or have a separate meter installed to record the output of the inverter. These are the only ways to measure how much energy your system is actually producing. The JCP&L meter measures kWh

delivered to and received from your home reflecting use of all appliances and the renewable customer-generation system – not the output of the system by itself.

Are there incentives offered by JCP&L for the installation of renewable customer generators?

In New Jersey, all investor-owned electric and gas utility customers contribute funding for energy efficiency and renewable energy programs through a "Societal Benefit Charge" (SBC) on their bill. Funds collected through the SBC financially support New Jersey's Clean Energy Program (NJCEP) which is administered by the New Jersey Board of Public Utilities, Office of Clean Energy.

NJCEP offers financial incentives for the installation of renewable customer-generators, including photovoltaics, wind, sustainable biomass and fuel cells. For additional information regarding the NJCEP Renewable Programs go to www.njcleanenergy.com or contact the Office of Clean Energy at 609-777-3300.

What is required by JCP&L to interconnect my renewable customer-generator?

1. When do I apply to JCP&L for Interconnection and when can I operate my system?
JCP&L highly recommends that prior to the installation of a renewable customer-generator, you submit Part 1 of JCP&L's Interconnection Application/Agreement for review and approval, along with the required single line diagram and site plan. Submitting Part 1 of the interconnection application prior to the installation of the customer-generator will help identify any potential problems prior to construction and expedite JCP&L's review process.

Following the installation of your renewable customer-generator, submit Part 2 of JCP&L's Interconnection Application/Agreement for review by JCP&L's engineering department. Prior to operating a renewable customer-generator in parallel with JCP&L's distribution system, it must be approved for interconnected operation.

2. How do I apply and get an application?
For additional information regarding JCP&L's Interconnection Requirements and copies of JCP&L's Interconnection Application for Systems 100 kW or Smaller, go to http://www.njcep.com/html/4_app_eforms2-interconnect.html.

What is a SREC?

SREC stands for Solar Renewable Energy Certificate and is a tradable certificate that represents all the clean energy benefits of electricity generated from your solar electric system. An SREC can be sold or traded. It is issued once a solar facility has generated 1,000 kWh (1 MWh), through either estimated or actual metered production, and can be listed on the SREC website bulletin board. For additional information regarding SREC, go to www.njcep.com/srec/.

9/14/06