History of Net Metering and Current Trends

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What is Net Metering?

• Allows for the flow of electricity both to and from the customer
  – Typically one-to-one offsetting of electricity production and consumption
  – Monthly excess generation treated differently

• States began adopting net metering policies in the 1980's
Customer Credits for Monthly Net Excess Generation (NEG) Under Net Metering

www.dsireusa.org / March 2015

Net Metering and Distributed Generation Compensation Policies

www.dsireusa.org / June 2020

No statewide DG compensation rules
Statewide DG compensation rules other than net metering
In transition from net metering to other statewide DG compensation rules
Per-kWh credit adjustors or non-bypassable charges
No statewide mandatory net metering rules, but some utilities offer net metering
State-developed mandatory net metering rules for certain utilities

* No state has developed mandatory net metering rules for certain utilities

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2019 Proposed or Enacted Changes to Net Metering Policies by Type

37 States + DC took action on net metering during 2019
Net Metering Trends

• States considering changes to export credit rates, netting period
• Undertaking studies to inform net metering credit rate changes
• States and utilities considering additional fees for net metering customers (demand charges, standby charges, etc.)
• States taking very different approaches, but overall most changes reducing solar value proposition not being approved