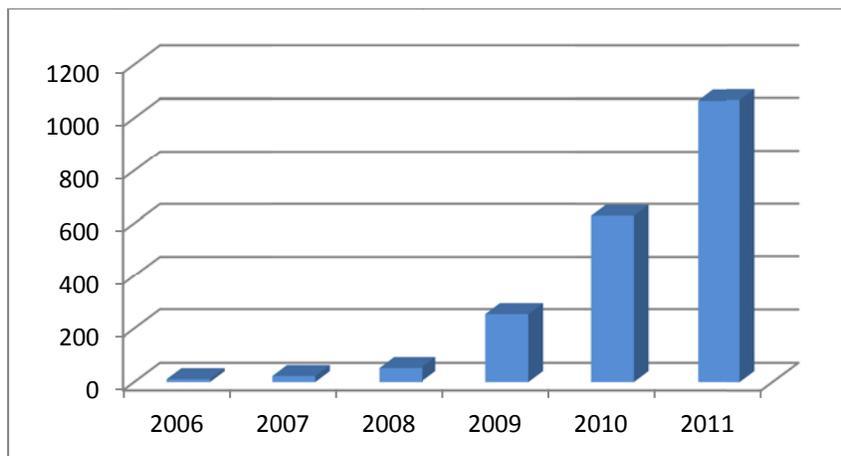


28. Has Michigan, or have other jurisdictions, used a statewide net metering program? How have such systems handled small-scale and larger projects? What policies have been proposed or tried regarding community renewables, meter aggregation and neighborhood net metering?

Act 295 includes a statewide net metering program for customers of MPSC rate-regulated electric providers. Customers have the opportunity to offset utility bills by installing a renewable electric generation project on-site. To date, all net metering projects have been in either Category 1 (20 kW and less) or Category 2 (greater than 20 kW to 150 kW). Category 1 projects have a billing arrangement where 1 kWh generated and sent to the grid receives a credit equal to the full retail rate. Category 2 projects receive a credit equal to the power supply portion of the retail rate or a market based rate. Solar PV is the most popular type of net metering project in Michigan. As of the end of 2011, 99.5% of net metering customers were in the Category 1 size range. The number of net metering customers grew quickly after the statewide net metering program was established in 2009.

Number of Net Metering Customers by Year



The Commission's most recent net metering report is available here:

http://www.michigan.gov/documents/mpsc/NetMeteringReport_Aug2012_396259_7.pdf

Freeing the Grid, a national report that provides grades for state net metering programs awarded Michigan a "B" for 2012. Areas identified for improvement include making the total size of the program larger and allowing all types of renewable generators larger than 150 kW to participate. The full report and grades for all states with net metering programs are available here: <http://freeingthegrid.org/#state-grades/michigan>

The Database of State Incentives for Renewable Energy reports that 43 states, Washington DC and 4 US territories have net metering programs. A net metering policy map is available here:

<http://dsireusa.org/summarymaps/index.cfm?ee=0&RE=0>

Net Metering Program Information – Michigan and Neighboring States

State	Freeing the Grid 2012 Grade	Net Metering Program Size Limit	Limit on System Capacity	Net Excess Generation Treatment	Meter Aggregation	Number of Customers 2011
Illinois	B	Current rules: 1% of utility's peak demand in previous year New rules per SB 1652/HB 3036: 5% of utility's peak demand in previous year	Current rules: 40 kW New rules per SB 1652/HB 3036: 2 MW	Current rules: Credited to customer's next bill at retail rate; granted to utility at end of 12-month billing cycle New rules per SB 1652/HB 3036: Only non-competitive customer. Non-hourly customers are credited on next bill at retail rate; granted to utility at end of 12-month billing cycle. Hourly customers receive energy credit and delivery service credit based on the hourly rate.	Allowed	675
Indiana	B	1% of utility's most recent peak summer load	1 MW	Credited to customer's next bill at retail rate; carries over indefinitely	Not addressed	346
Michigan	B	0.75% of previous year's peak load	150 kW	Credited to customer's next bill at retail rate for systems 20 kW or less; credited to customer's next bill at power supply component of retail rate for larger systems. Carries over indefinitely.	Not addressed	1,062
Ohio	A	No limit specified	No capacity limit specified, but system must be sized primarily to offset part or all of customer's electricity requirements	Credited to customer's next bill at unbundled generation rate; customer may request payment for excess at end of 12-month billing period	Not addressed	1,211
Pennsylvania	A	No limit specified	5 MW for micro-grid and emergency systems; 3 MW for non-residential; 50 kW for residential	Credited to customer's next bill at retail rate; reconciled annually at "price-to-compare"	Virtual meter aggregation allowed	6,666
Wisconsin	D	No limit specified	20 kW (some utilities allow net metering for systems up to 100 kW)	Varies by utility; Generally credited to customer's next bill at retail rate for renewables and avoided-cost rate for non-renewables Xcel: Credit is carried over monthly and reconciled annually, at the avoided-cost rate	Not addressed	1,168
Minnesota	C	No limit specified	Less than 40 kW	Reconciled monthly; customer may opt to receive payment or credit on next bill at the retail utility energy rate	Not addressed	929

Freeing the Grid Grades: See the 2012 [Freeing the Grid Report](#).
Net Metering Program Descriptions: See [IREC USA's](#) net metering policy summary table.
Net Metering Customers 2011: See EIA File 5 - <http://www.eia.gov/electricity/data/eia861/index.html>

Of the neighboring states, Pennsylvania and Illinois have a virtual meter aggregation net metering provision.

The DSIREUSA website description of the Pennsylvania virtual meter aggregation provision is provided below: http://dsireusa.org/incentives/incentive.cfm?Incentive_Code=PA03R&re=0&ee=0

The DSIREUSA website describes the Illinois provision in this way:
http://dsireusa.org/incentives/incentive.cfm?Incentive_Code=IL13R&re=0&ee=0