New Florida Regulations Make Net Metering More Attractive for Distributed and Small Renewable Energy Generators

New rules raise rates paid to the customer, enlarge scope of eligible installations

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The Florida Public Service Commission has approved net metering agreements meant to encourage customer-owned renewable energy systems. The agreements have raised the rate utilities credit customers for the electricity they produce from renewable energy, increased the size of eligible systems, and expanded the type of eligible systems from photovoltaics to all renewable technologies.

Under the new agreements, net-metered customers will earn the same rate for the electricity that is fed back into the grid (as excess generation) as they pay for electricity purchased from the utility. Previously, customers earned only $0.03-$0.04 per kilowatt-hour (kWh). Furthermore, the size of eligible renewable energy systems has been increased from 10 kilowatts (kW) to 2 megawatts (MW). The size qualifications apply to residential, commercial, and industrial customers.

The new regulations also address fees utilities charge customers to apply for net metering. Customers with systems that are rated at 10 kW or lower are exempt from application fees. These customers are expected to be the majority taking advantage of the new rules. Customers with systems rated higher than 10 kW but lower than 100 kW will pay $400 in fees; 100-kW to 2-MW systems will be subject to a $1,000 fee and require insurance and a $2,000 deposit.

"By making it more attractive for customers to use renewables, we are promoting fuel diversity and reliability and increasing development of renewable generation in Florida, Public Service Commission Chairman Mathew Carter said. "Today's approval will encourage eligible customers to reduce the electricity purchases from their utility—saving money for the customer and increasing grid capacity for the utility."

For more information, see the Florida commission's September 4 press release, or read a more detailed explanation of Florida Net Metering published by the Database of State Incentives for Renewables & Efficiency.