Staff Presentation
Workshop on Customer-owned Renewable Generation

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Interconnection & Net Metering
History of Rule Development

• In 2002, the Commission adopted Rule 25-6.065, F.A.C., which expedited the interconnection of small PV systems up to 10 kW.


• In 2008, the Commission revised Rule 25-6.065, F.A.C. to require investor-owned utilities to allow for expedited interconnection and net metering of customer-owned renewable generation up to 2 MW.
History of Rule Development

• The Florida Legislature amended section 366.91, F.S., in 2008, to include requirements for interconnection and net metering of customer-owned renewable generation.

  • On or before January 1, 2009, Investor-owned electric utilities, municipal electric utilities and rural electric cooperatives were required to develop a standardized interconnection agreement and net metering program for customer-owned renewable generation.

  • “Customer-owned renewable generation” means an electric generating system located on a customer’s premises that is primarily intended to offset part or all of the customer’s electricity requirements with renewable energy.”

  • “Net metering” means a metering and billing methodology whereby customer-owned renewable generation is allowed to offset the customer’s electricity consumption on site.”

  • “The commission shall establish requirements relating to the expedited interconnection and net metering of customer-owned renewable generation by public utilities and may adopt rules to administer this section.”
Rule Structure

• Scope and Definitions
  • “promote the development of small customer-owned renewable generation”
  • “renewable energy” is energy produced from sources that can include biomass, solar energy, geothermal energy, wind energy, among others.

• Standard Interconnection Agreements
  • Engineering Requirements
  • Customer Qualification (including Tiers) and Fees

• Contents of Agreements
  • Local Code Requirements and Inspections
  • Insurance Requirements

• Manual Disconnect Switch
Rule Structure

- Administrative Requirements

- Net Metering
  - Metering Requirements
  - Accumulation and Offsetting of Credits
  - Year-End Credit Payment

- Renewable Energy Certificates

- Reporting Requirements
Standard Interconnection Agreements

- **Engineering Standards**

- **Customer Qualification**
  - Gross Power Rating (GPR) – Total AC nameplate generating capacity
  - GPR must not exceed 90% of the customer’s utility distribution service rating

- **Customer Tiers**
  - Tier 1 – 10 kW or less
  - Tier 2 – greater than 10 kW and less than or equal to 100 kW
  - Tier 3 – greater than 100 kW and less than or equal to 2 MW
Tier 1 Systems

- Systems 10 kW or less
- No Application Fee
- No Interconnection Study Requirement
- No Insurance Requirement
- No Manual Disconnect Switch Requirement
Tier 2 Systems

- Systems greater than 10 kW and less than 100 kW
- Application Fee if approved by Commission
- No Interconnection Study Requirement
- No more than $1 Million Insurance Requirement
- Manual Disconnect Switch Required at customer cost
Tier 3 Systems

- Systems greater than 100 kW and less than 2 MW
- Application Fee if approved by Commission
- Interconnection Study may be required
- Interconnection Study Charge if approved by Commission
- No more than $2 Million Insurance Requirement
- Manual Disconnect Switch Required at customer cost
Net Metering

- Installation of bi-directional meter, at no cost to customer

- Each month the customer's bill is determined by netting energy taken off the grid with energy delivered to the grid.

- Excess customer generation at the end of the month is carried over as a kWh credit on the next month’s bill.

- Year-End Credit Payment and the COG-1 Tariff

- Customers must pay the applicable customer charge and demand charge.
Customer Credits for Monthly Net Excess Generation (NEG) Under Net Metering

NEG credited at retail rate; credits do not expire
NEG credited at retail rate at first, then credits expire or are reduced (e.g., to the avoided cost rate at the end of year)
NEG credited at less than retail rate (e.g., avoided cost rate)
NEG is not compensated
No statewide mandatory net metering rules

NOTE: The map shows NEG credits under statewide policies for investor-owned utilities (IOUs); other utilities may offer different NEG credit amounts. IOUs in HI, NV, MS, and GA have other policies for compensating self-generators. Some IOUs in TX and ID offer net metering, but there is no statewide policy. IOUs in WI differ in their treatment of NEG.
Customer-owned Renewable Generation

Renewable Generation Systems (# Shown)

Total kW

Renewable Generation Systems
Total kW


577 1,625 2,831 3,952 5,295 6,697 8,571 11,626 15,994 24,157 37,862 59,508

- 10,000 20,000 30,000 40,000 50,000 60,000 70,000