

**Mountain Parks Electric, Inc. (MPEI)**  
**Net Metering -Frequently Asked Questions – Revised April 2009**

1. [Does MPEI support renewable energy?](#)

MPEI supports customer-owned renewable energy projects designed to principally supply their own energy needs by facilitating safe, reliable interconnection of small, net metered renewable energy generation sources up to 25 kilowatts, with net meter energy rates subsidized by members to encourage growth of the renewable energy industry. MPEI is working with members to explore biomass energy options in our territory to help deal with waste wood resulting from our pine beetle infestation and efforts to clear dead timber in order to minimize fire hazards. MPEI is also exploring possible demonstration projects for solar and wind generation that may be done in partnership with local schools.

2. [Does MPEI pay retail cost for energy delivered by renewable sources?](#)

Customers are billed monthly for service availability, demand, and energy charges based on applicable rate tariff for the customer. The customer must execute an interconnection agreement with MPEI in order to obtain “net metered” service, where MPEI will offset the cost of energy supplied by the utility using excess energy generated and delivered to the utility. Such offsets are done monthly using the retail energy rate – for MPEI’s general service tariff, \$0.093 per kilowatt-hour in 2009 - up to the amount of energy supplied by MPEI. If the customer delivers more energy to the utility than supplied by the utility, excess amounts not offset in that month are accumulated from month to month and used in future billing offsets up to the limit of monthly energy supplied by the utility. At the end of each calendar year, MPEI will credit any energy generation accumulated in excess of monthly offsets using the average wholesale cost of power for demand and energy as determined by the MPEI Board– estimated to be \$0.066 per kilowatt-hour in 2009. This is higher than the energy only wholesale cost as used by some other large utilities in Colorado, and for MPEI would have been only \$0.02735 per kilowatt-hour in 2009. Energy offsets do not apply to demand or service availability charges; the service availability charge in 2009 for general service – small rate tariff is \$25 per month. See attached example of monthly billing offsets for assumed energy amounts for a residential general service net meter.

3. [Why am I required to pay the service availability charge?](#)

All customers of the Cooperative pay the service availability charge, which is part of the allocated cost for operating and maintaining the distribution system considered to be incurred independent of the peak load or energy supplied by the system or used by any customers. In other words, this is a charge to keep the system available to supply electricity to each customer at all times throughout the year regardless of actual energy usage.

4. [Does MPEI pay rebates for renewable energy capacity similar to Xcel Energy?](#)

The MPEI Board has decided not to use resources of the membership to pay any incentives for renewable projects that may only benefit a small number of owners, but rather to explore some demonstration projects where such investments could benefit all members. The MPEI Board of Directors aims to minimize the energy cost to all members and remains open to cost effective technologies competing in the energy market with other options.

5. [How much does a net meter cost?](#)

MPEI charges the customer the difference in cost of a net meter over that for a standard meter when an existing service is retrofitted for a net meter. For general service – small rate, this difference is about \$265 for a 200-amp 1-phase 240-volt meter in 2009, plus a trip fee for installing the meter.

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6. [What happens if I interconnect a solar \(or other supply\) system without the knowledge of MPEI and try to spin my meter in reverse to maximize the energy cost savings on my investment?](#)

The Automatic Meter Reading (AMR) meter installed for a conventional service will see rotation in reverse the same as load and your billed energy amount will be actual usage plus the excess energy delivered by your generating system to the grid. Additionally, there are legal liabilities for interconnecting sources of power in an unsafe manner. Should MPEI find a system connected without MPEI knowledge, we will pursue legal action for disconnecting the service.

7. [Why am I required to pay MPEI a capacity charge for a new service if I install a renewable energy system?](#)

The MPEI capacity charge is required to fund the distribution system capacity (substations and mainline feeders) necessary for all new services to supply load at all hours, including times when alternative energy sources are unavailable. If you wish to avoid the MPEI capacity charge, you are encouraged to evaluate an off-grid solution with battery backup as an alternative to the utility interconnection.

6. [How will the energy provided by MPEI be registered vs. energy delivered to MPEI?](#)

For residential and small commercial general service - small rate tariff (not time-of-use), the customer's electrician will install a single 200-amp or 320-amp meter socket; MPEI will install a single-phase bi-directional meter in the socket, which accumulates energy flow in and out of the MPEI distribution system in two separate registers. With present technology available for standard meters used by MPEI, a service billed under our general service time-of-use rate tariff will require installation of two meter sockets with one wired in reverse to accumulate in and out flows for both on and off peak time periods.

7. [How do I calculate the return on investment or payback period for a renewable energy system?](#)

You will need to work out these calculations with your equipment dealer and installation contractor, using MPEI's net metering rate for excess energy estimated to be delivered to the utility system in excess of monthly offsets and using MPEI's retail rate for energy supplied to your own loads, supplying what MPEI would otherwise deliver. In 2009, the rate to be paid for net metered energy delivered to the utility in excess of monthly offsets at retail rate is estimated to be \$.066 per kilowatt-hour and the retail rate for energy supplied by MPEI (under general service small tariff) is \$0.093 per kilowatt-hour.

8. [Why does MPEI require a separate disconnect for solar/wind inverter systems near the meter?](#)

Starting in May of 2008, MPEI no longer requires a separate disconnect near the meter, but does require a main disconnect outside the building near the meter for use if needed during distribution line work for safety of workers.

11. [Who do I contact for purchase of power for alternative systems rated more than 25 kilowatts?](#)

Contact Tri-State G&T (MPEI's power supplier) at 303-452-6111 to negotiate a purchase power contract. Contact MPEI's Engineering Department for interconnection requirements at 970-887-3378.

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Example: Residential General Service Small Rate Tariff Showing Energy Charge Offsets for Assumed Energy Amounts

Residential Net Meter Example of Energy Charge Offsets in 2009:

Month:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year End
Energy Usage (kWh)	100	100	100	100	100	100	100	100	100	100	100	100	
Energy Charge	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	\$9.30	
Service Availability Charge	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	
Net Meter Energy Delivered (kWh)	50	200	0	200	200	200	200	200	200	200	200	200	
Offset for kWh Delivered/Accumulated	-\$4.65	-\$9.30	-\$9.30	-\$9.30	-\$9.30	-\$9.30	-\$9.30	-\$9.30	-\$9.30	-\$9.30	-\$9.30	-\$9.30	
Current Amount Due	\$29.65	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	
Excess kWh Accumulated to date (kWh)	0	100	0	100	200	300	400	500	600	700	800	900	
Estimated Annual Credit for Excess kWh Accumulated													\$59.40