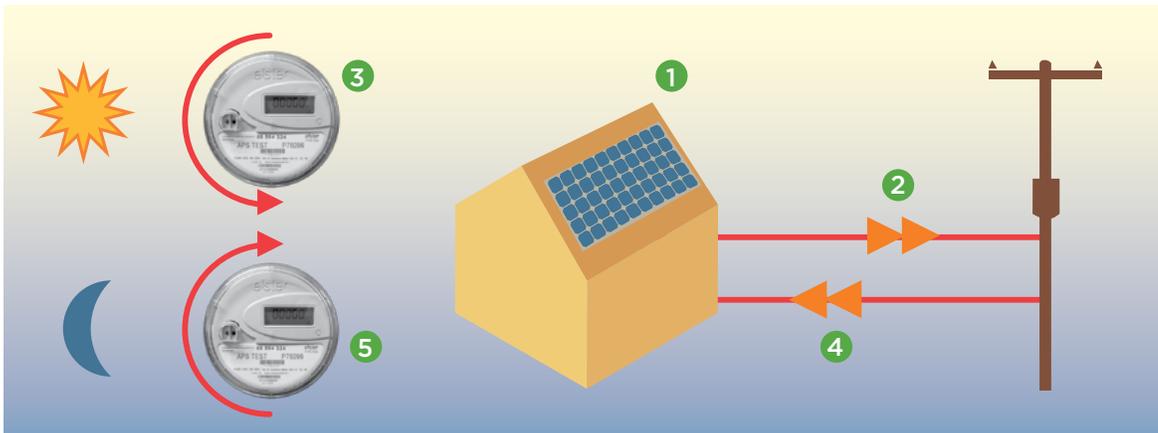


## Net Metering: What is it? How does it work?



**1** APS customers are installing rooftop solar panels in record numbers. This allows them to offset many of the charges on their electric bill.

**2** Sometimes, these customers generate more electricity than they use. Through a special electricity meter, they can send their energy backwards through the meter to the electric grid. In Arizona, customers can install solar systems with 25 percent more capacity than what is needed to power their homes.

**3** Today's digital meters don't actually spin backwards, but they do keep a record of how much electricity is sent back to the grid.

**4** When their solar panels are not producing enough energy to power their homes — in the evenings or on cloudy days — these customers draw electricity from the APS system just like a typical customer.

**5** The meter moves “forward,” or records how much electricity is consumed.

Each month, the meter subtracts the amount of energy sent back to the grid from the amount the customer consumes. This is called “net metering.”

If owners of rooftop solar systems produce more electricity than they consume in a given month, they can “roll over” that credit to offset usage in the next month. At the end of the year, they “settle up” with APS on any amount still owed or due.

### Meet the Winters

The Winters are hypothetical APS customers, seasonal residents who live in Arizona only in the winter. During the summer months the solar panels on their home generate power, but the house is empty so they consume very little. This results in a net credit. When they return in the cooler months, the energy credits built up in the summer offset what they use in the winter — even as their panels keep producing energy. Typically this results in net credits at the end of the year, when APS would pay the Winters to settle up.