



## NCEL Fact Sheet: **Net Metering**

Net metering is a policy whereby utility companies are required to credit owners of distributed energy systems for the energy they provide to the grid at retail rate, above the amount used on the owner's property. Proponents liken net metering to "rollover minutes" on a mobile phone plan.

### **Key Points:**

- Solar energy jobs have increased nationally from 93,000 in 2010 to 173,807 today, adding workers at almost 20 times the rate of the larger economy, and now nearly double the number of coal mining jobs, according to [Fortune](#).
- Commission-led studies in [Mississippi](#) and [Nevada](#) found that net metering financially benefits all taxpayers and can help lower electricity rates.
- Net metering policies create a smoother demand curve for electricity and reduce strain on distribution by encouraging generation during point of consumption. This allows utilities to better manage their peak electricity loads. <http://www.seia.org/policy/distributed-solar/net-metering>
- Clean energy can benefit *all* communities. Minorities are 40% more likely to be exposed to airborne pollutants from power plants and exhaust, leading to higher rates of asthma and heart disease, according to a study by [University of Minnesota](#).
- Vote Solar and the Interstate Renewable Energy Council created a map assigning grade letters to each state based on their net metering programs. You can see how your state ranks at [www.freeingthegrid.org](http://www.freeingthegrid.org).

### **Legislation:**

- More than [40 states](#) and the District of Columbia have some form of net metering policy in place.
- 11 states and Washington, D.C., have authorized community net metering pilot projects where residents purchase shares of a single net-metered solar array, according to [NCSL](#).
- [Minnesota](#) and Austin, Texas have established a methodology to determine a "value of solar" tariff, which would see solar owners purchasing all of their electricity from utilities and then selling it back to the company at a fixed, predetermined price.

### **Other Resources:**

- Solar Energy Industries Association solar fact sheet:  
<http://www.seia.org/sites/default/files/resources/Solar%20Benefits%20all%20Customers%202.10.2014.pdf>