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Illinois Net Metering

FACT SHEET

February 2025

If you own or operate a renewable electric generator–such as solar panels on your roof–you may be able to sell the excess electricity you produce back to your utility. It's a benefit called "net metering" and it's available to residential and commercial customers of Commonwealth Edison, Ameren Illinois and MidAmerican Energy. Selling power back to your utility was a difficult process at one time, but a state law that took effect in 2008 simplified the process.

What Is Net Metering?

Specifically, net metering means if you generate your own electricity using a renewable resource you can get credits on your bill for those times when you generate more power than you use. Your utility will only charge you for the net amount of electricity you consume, plus any other fixed delivery charges.

What Types Of Systems Qualify?

Residential solar installations are the most common applications of Illinois net metering, but this benefit can apply to other forms of on-site renewable electric generators as well:

- Solar energy (photovoltaic, or "PV")
- Wind
- · Dedicated crops grown for electricity generation
- · Anaerobic digestion of livestock or food-processing waste
- Fuel cells or microturbines powered by renewable fuels
- Hydroelectric energy.

Note: You must own or operate these installations at your home or business and they can only be up to 2,000 kilowatts (kW).

How Much Will I Be Paid For The Electricity I Generate With My System?

Illinois net metering law requires investor- owned utilities (ComEd, Ameren, MidAmerican) to offer one-to-one net metering for renewable energy generation that is sized to offset the household's energy usage. One-to-one net metering means that you will be credited for the electricity you send back to the grid at the same rate that you are charged for electricity. One kilowatt-hour sent to the grid offsets 1 kilowatt-hour used from the grid. This is the best type of net metering policy for consumers because it will lead to the highest level of savings.

For people who installed their solar system before Jan. 1, 2025, net metering credits are applied to all three sections

of their bill: Supply, Delivery and Taxes. That will be true for the life of those systems.

But state solar policy changed on Jan. 1, 2025: For anyone who installs panels going forward:

- Net metering credits will be applied to the Supply section of their bill only, rather than all three sections.
- They will be eligible for a "Distributed Generation (DG) Rebate." The rebate requires the use of a smart inverter (equipment that helps transfer electricity from the solar panels to a home) and the value of the rebate will depend on the size of the installation. (Under law, the value of the rebate will be at least \$300 per kilowatt of generating capacity.)
- The net metering credits will not be subject to an annual reset or zeroing out. This means, your excess net metering credits will roll over month to month and never expire. (For other customers, these credits may expire. See below.)

To summarize, this new system means customers who install solar panels after Jan. 1, 2025 will receive 1) a larger benefit upfront; 2) a reduced net metering benefit throughout the lifetime of the system; and 3) credits that never expire.

If I installed my panels before Jan. 1, 2025, do my credits expire?

Consumers who installed their panels before Jan. 1, 2025 will continue to see an annual expiration on their excess rollover credits–unless they participate in an hourly pricing program (ComEd's Hourly Pricing or Ameren's Power Smart Pricing program).

So, in a given month, if you produce more electricity than you use, those excess net metering credits will rollover to the next month and can help offset future electricity usage. Any remaining credits will expire once per year, either in April or October, depending on which option you select. An April expiration date is best for solar installations as it gives you the most time to use built up credits from the previous summer. An October expiration date is best for wind installations because wind turbines produce more in the winter than in the summer, and October gives you the most time to use built up credits from the previous winter.

Utilities do not require you to size your renewable generation systems to match your usage. But remember if your unused net metering credits expire at the end of your annual period, it is economical to have your renewable energy system match the electricity demand of your household.

What If I Am With An Alternative Supplier?

Alternate suppliers are required to offer net metering and to provide net metering credits at the same rate they are charging you for electricity. Alternate suppliers are also required to have contact information specifically for net metering concerns.

While they are required to comply, alternate suppliers do not always meet these requirements. It can often be simpler to cancel with an alternate supplier and participate in net metering with your utility company. The utility companies have larger net metering departments than the suppliers, making it easier for them to address your questions.

For both ComEd and Ameren, net metering customers do not lose banked credits (that have rolled over from a previous month) when switching suppliers.

Can I Participate in Real Time Pricing and Net Metering?

ComEd and Ameren customers with rooftop solar installations can still participate in their utility's real-time pricing program ("Hourly Pricing" for ComEd, "Power Smart Pricing" for Ameren). If you pay a "time-of-use" rate, your net metering credits will also reflect the time-of-use rate. Solar customers may benefit from real-time pricing, which charges participants a market rate that can change hourly. That's because they can pull electricity from their panels during hot summer afternoons and avoid paying peak prices for electricity. For people who installed their panels before 2025, one benefit of real-time pricing is that their net metering credits don't expire.

There isn't enough data yet on whether it's best to be on real time pricing with net metering. We recommend trying real time pricing if you are interested but remember that you aren't guaranteed to save money. That means it's important to check your monthly real time pricing results (emailed to you every month) to make sure you're saving through the program. **Note:** If you have an electric vehicle, adding real-time pricing makes even more sense. Charge your vehicle at night, when prices are typically lower, and your net metering credits will cover more of your car-charging expenses.

What Is Interconnection?

When you apply for net metering, you will also have to apply for interconnection. Interconnection is permission to connect your renewable generator to the electric utility's grid. If you are installing a residential solar system, your solar installer will typically fill out both the net metering and interconnection applications on your behalf–but make sure to check with the installer to confirm. If you are installing a different type of renewable generator, ask the company you are working with if they will handle the interconnection and net metering applications.

What about interconnection for larger systems?

Net metering and interconnection both become more complicated if you are trying to install a large system. By large we mean a system between 10 kilowatts (kW) and 2,000 kW. For context, the average residential solar installation in Illinois is about 7 kW.

With larger systems, the utility may need to conduct a study to see if the grid in your area can accommodate the electricity your system is expected to export to the grid. For some large systems, they may determine that the grid cannot accommodate the new generation. In this case you would be required to pay for the grid upgrades necessary to accommodate your system's electricity generation.

If you are thinking of installing a larger renewable energy generator we recommend involving your utility company from the early planning stages, so that you are not surprised by any of the associated costs.

For more information on interconnecting larger systems see the Administrative Code on Interconnection of Distributed Generation Facilities.

How Do I Apply for Net Metering?

Typically, the installer you're working with will fill out the net metering application for you. We recommend confirming this with your installer. For more information, or to apply for net metering, contact your electric utility.

ComEd

Phone: I-800-825-5436 E-mail: NetMetering@comed.com Download the ComEd application

Ameren

E-mail: renewablesillinois@ameren.com Download the Ameren application

MidAmerican (Private Generation)

Email: PrivateGeneration@midamerican.com Telephone (Daytime): 877-815-0010 Download the MidAmerican application