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Program Rules and Requirements

1. Can I move my solar system to a different address if I move or buy another home?

We do allow PV systems to be moved from one premise to another however they will no longer be eligible for the Solar*Rewards program and your Solar Bank will not be carried over to a new address.

The original Solar*Rewards contract will be void and you will need to reapply to the non-incentivized DG solar program under the new address. Please contact solarprogram@xcelenergy.com to let them know the system is being relocated.

2. My roof requires repair/maintenance. What steps need to be taken?

In circumstances where the PV system needs to be removed for roof repair/replacement, your solar installer can remove the system for up to 90 days. The customer must notify Xcel Energy, in writing, of any plans to remove the system temporarily at least 20 business days prior to removal of the system. Once the system is ready to be installed again, the customer must notify Xcel Energy in writing a minimum of five business days prior to the re-installation. Xcel Energy will have up to 10 business days to review and respond.

The meters need to remain onsite during this time and should not be removed from the premise for any reason. A new electrical inspection may be required prior to turning the system on again.

3. What happens if I sell my house during the 20-year contract period?

If you sell your home after the application process is complete, you may transfer the Solar*Rewards Contract to the new

owner with an [Assignment of Contract](#). The owner would assume responsibility for the terms of the contract. If the new homeowner elects not to sign the assignment form, you as the original contract signer would retain responsibility for the contract. In the event that damages are sought for breach of contract, those damages are limited to repayment of the prorated portion of the remaining contract term. The new homeowner needs to sign a new Interconnection Agreement with Xcel Energy to receive the benefits of the net-metered rate. The new homeowner will also need to supply proof of insurance and will need to complete their own Solar Bank Election Form. Please [visit our website](#) for the instruction and forms required to complete an Assignment of Contract.

4. What are the options for my excess generation or Solar Bank credits?

You must make a decision regarding your net metered Xcel Energy account. Please note that this is separate from your monthly REC incentive payments.

- A. Continuous Rollover Credits: Any excess generation from your net metered PV system will be rolled over month-to-month, year-to-year and held in a Solar Bank. The credits will never run out, so you can use them whenever your consumption from the grid exceeds your generation on the net meter. However, you cannot cash out your Solar Bank, and no credit will be given if you move or stop service. Credits cannot be transferred between Xcel Energy accounts or to a new homeowner if a customer moves. Once Rollover has been elected, you cannot change to the Waive option.
- B. Waive Decision Until Later Date: You choose to waive the decision until a later date. By waiving your decision, you will default to a year end payout. Any excess generation from your net metered PV system will be rolled over month-to-month and held in a Solar Bank. Xcel Energy will cash out your Solar Bank at the end of the year, and send you a check for the excess energy. We buy this excess energy at a rate of the average hourly incremental cost of electricity (AHIC) from the previous 12 months. By choosing to waive your decision, you can still make a one-time choice to move to Continuous Rollover Credits at any time during the life of your contract.

To change your election, you will need to complete a Solar Bank Election form [here](#). Complete the information, sign the bottom and email it to solarprogram@xcelenergy.com.

Historical AHIC amounts:

2016: 1.355¢	2015: 1.765¢	2014: 2.616¢
2013: 2.386¢	2012: 1.744¢	2011: 2.905¢

5. How is the Average Hourly Incremental Cost (AHIC) of Energy determined?

PSCo uses a Cost Calculator to determine the incremental system costs of the last 50 MW block of energy to service native load. The program determines the cost of the energy, including fuel associated with generation and applicable economic purchase transaction costs. For each hour, the program stacks the resources that supplied energy during the hour based on their costs in one MW increments. After all costs have been assigned and stacked, an average is calculated for the last 50 MWs to determine PSCo's actual average hourly cost of the last 50 MW dispatched for native load.

Incentives

6. Can I assign my REC payments to an alternate recipient?

REC payments cannot be assigned and can only be made to the owner of the PV system; the homeowner or third party developer. All REC payments are monthly payments in the form of a check.

7. How do the REC payments work?

Each month, the production meter, which records the actual production of the PV system, is read at the same time as the net meter. A check is issued based on actual production from the production meter at the rate indicated on your Reservation Letter and REC Purchase Contract. In addition, each month you will be billed on your net usage (total usage minus total production for the month) as measured by the net meter. For example:

- Your PV system produces 4,000 kWh in one month.
- You use a total of 6,000 kWh in the same month.
- You will receive a REC payment of \$20 (4,000 kWh x \$0.005).
- You will be billed on the net usage of 2,000 kWh (6,000 kWh usage – 4,000 kWh production).

8. How are REC payments made?

REC payments are paid out monthly in the form of a check. The payment is based on the actual production from the PV system

as measured by the production meter. There is not an option to have the payment credited toward the account balance.

As per the terms of the settlement, payments for the 20 year sale of RECs are made as follows:

Small Customer-Owned	over a 10 year period*
Small Third Party	over a 20 year period
Medium	over a 20 year period

*For the Small Customer Owned program, the contract length is 20 years. Xcel Energy agrees to pay 10 years' worth of REC payments to the customer. These payments entitle Xcel Energy to own the RECs for the full 20 years.

9. Does Xcel Energy issue 1099s?

Xcel Energy is not required to issue 1099s for rebates and REC payments. The rules that require 1099 reporting are different than the rules that determine taxable income, and there are several exceptions to 1099 reporting that apply to different payments and recipients. Therefore, whether or not a company issues a 1099 should not be viewed as an assertion by the company about whether a payment should be included in the taxable income of that recipient. As a matter of policy, Xcel Energy does not provide tax advice to its customers and other businesses.

Metering and Billing

10. Why is there a service & facility charge on my Xcel Energy bill when I produce more electricity than I use?

The service and availability charge is a flat monthly charge. The "Service" portion of these charges recovers the cost of meter reading, billing, customer accounting and customer service. The "Facility" portion of these charges recovers the fixed costs associated with Xcel Energy's investment in customer-related facilities such as meters and service laterals, also included is the GRSA and RESA (See back of bill for explanation.)

11. How much electricity will my PV system produce?

The amount of electricity generated by a solar system is dependent upon several factors, primarily system size, orientation of the system and shading. Typically, a solar system using about 120 square feet of solar panels will generate about 1,500 kWh per year.

12. How much energy is my PV system producing?

If your home has a production meter, you can review your system's monthly production by calling the Energy Experts at 1-800-824-1688. The production information can also be found on your monthly statements. Please review our [Metering and Billing FAQ](#) for additional details on how to read the statements. If your home does not currently have a production meter, you can request installation of a production meter by Xcel Energy, or purchase a production monitoring system from a third party installer.

13. What does it mean if I see flashing 8's or 9's on my residential net meter?

The meter is checking the LED display when showing flashing 8's. This is a normal function that the meter runs through periodically. If your meter shows flashing 9's, the model of net meter doesn't display negative numbers, but instead "counts backwards" from 999999 to show when it crosses over zero. This is also a normal function.

14. What is a PV production meter?

A PV production meter is a standard meter that is set up for payment rather than for billing. It is used to calculate the monthly REC payments and track production.

15. I have an on-site solar system that sometimes produces a surplus of energy. With the tiered rates, at which rate will my surplus be credited to my account?

Our on-site solar program was designed to promote systems sized to offset a customer's electric consumption. Those enrolled in an on-site solar program with a system that produces a surplus of energy during a billing cycle receive credits which are carried forward to the next month. However, these kWh credits are not assigned a monthly monetary value. Program participants have the option of having these credited kWh rolled over from year-to-year or receiving compensation at the end of the year for the total excess kWh produced. Please see [FAQ #4](#) for additional details. The end of year payment is calculated on the Average Hourly Incremental Cost (AHIC) of Electricity from the previous year. Refer to [FAQ #5](#) for more information.

16. How do the summer Tiered Rates affect my bill if I am a Solar*Rewards Customer?

A two-tiered rate structure will be in effect each year from June 1 through September 30. Under this rate structure, customers will pay the lower Tier 1 rate for their first 500

kilowatt hours (kWh), and the higher Tier 2 rate for electricity used above 500 kWh.

If you are a Solar*Rewards customer, you will only be charged at the higher Tier 2 rate if your NET usage (one month of usage on the net meter minus the same month of production from your PV system) reaches the 500 kWh limit.

17. Can I participate in Solar*Rewards if I am on a special rate plan (Time of Use Pricing, Peak Demand Pricing, etc.)?

We offer these two new rate plans to all residential customers- including those with rooftop solar. You can [find out more here](#).

18. I don't understand my bill. Is there anything that can help me?

Yes, please review the [Metering & Billing FAQs](#). This guide will explain your solar bill. If you have additional questions regarding your bill after reading the FAQ, please contact the Energy Experts at 800.824.1688.

19. I am filing a Department of Treasury grant, does Xcel Energy provide a permission to operate letter?

Xcel Energy can provide a separate letter stating our authorization to operate. Once the Net/PV Prod meter has been set, a door hanger will be left onsite.

20. What does RESA stand for and how is it used?

RESA stands for Renewable Energy Standard Adjustment. In 2004, when Colorado voters approved Amendment 37 requiring utilities like Xcel Energy to obtain 10% of their retail sales from renewable energy sources, they also created a fund that lets us pay for the cost difference between renewable energy and fossil fuel costs. That fund is financed by a 2% charge on every Xcel Energy electric retail customer's monthly energy bill in Colorado. All investor-owned utilities in Colorado collect this RESA money from their customers' electricity costs. The RESA money we collect is considered a "pass-through" and utilities use this money to manage programs that encourage investment in renewable energy without making a profit.

The RESA funds we collect by Colorado law are used to increase the portion of electricity generated from the sun, wind, and biomass. The funds pay for customer programs like [Solar*Rewards](#), [Solar*Rewards Community](#), and [Windsource](#).

These programs not only lower the electricity bills of program participants but help create a cleaner Colorado for everyone. Since the original passing of Amendment 37 in Colorado, the renewable energy standard affecting all investor-owned utilities has increased to 30% by 2020. The renewable energy standard (RES) is a State requirement that requires increased electricity production from renewable energy sources like wind, solar, and biomass. Xcel Energy has been a supporter of the RES increase because of the strong interest of our customers in renewable energy and the Company's aggressive environmental position. And thanks to our customers, we are on-target to meet this 30% goal.