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# [Net Metering and Solar Energy](#)

You can't help but get into net metering when you decide to invest in solar energy because you sometimes consume more or less than what you actually generate. When you consume less energy, your electric meter spins backward, if you use more then it goes forward.

Net metering is simply a special metering and billing agreement between you and the electric service provider. You are eligible for this if you reside in a residential area and generate some form of energy using solar, wind energy or a combination of both. It also has to be located on your premises and connected to the grid.

For this to work, you need to have a meter capable of moving in both directions. Most meters these days can do that but if your provider wants to use two meters, they will have to pay for it. However, if you enter into a time of use billing agreement, you will have to be one to buy the unit.

The net metering agreement works by letting you use the electricity you generate first before you use what you normally get from your electric service provider. Your meter should show the net which is measured as the difference between the electricity you purchased and what you actually purchased.

The benefit of the net metering system is that it allows you to store electricity when you are not there and then use it the moment you get home. Since there is a law that expands net metering, you can take advantage of it by generating electricity during peak hours and then using it during off peak periods.

If you find yourself confused by what you've read to this point, don't despair. Everything should be crystal clear by the time you finish.

Another benefit is the fact that you only pay the net electricity that you use. If you consume below the baseline, you pay less and more if you go over it. If what you use offsets what you normally get from a provider, then you will most likely pay a lower rate.

Since you entered into an agreement with your provider, you will still be billed monthly. This will state the amount of power you generated and the amount you actually consumed. On the anniversary of your agreement, you will be billed for the previous 12 months but you can also request for this on a monthly basis. Keep in mind that you will not be paid for the excess generation of electricity in a given year although some do.

If you want to use solar energy, you have to contact your electric service provider and ask if they offer net metering. When the papers are drawn up, remember that they cannot require you to pay for any meters beyond the bi-directional meter. They cannot conduct any tests or impose any requirements if it meets existing national standards for grid-interconnected systems. Lastly, you don't have to buy additional insurance or buy power from any of their affiliates.

Net metering is a policy and also an incentive when you decide to use solar energy. This is because you reduce the number of kilowatts used by your electric service provider which in turn decreases the emissions of carbon dioxide into the air.

If you happen to live in either New Jersey or Colorado, consider yourself lucky since they have the best net metering policies in the US. In fact not all states have such a policy in place for people who decide to use solar energy.

If you've picked some pointers about Solar Energy that you can put into action, then by all means, do so. You won't really be able to gain any benefits from your new knowledge if you don't use it.

About the Author

By Anders Eriksson, feel free to visit his Perpetual20 training site for great bonuses: [Perpetual20](#)

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