

# Harnessing the power of renewables

## Myths vs. facts

**MYTH:** I don't need to contact my electric cooperative before I install a distributed generation system on my property.

**FACT:** Owners of distributed generation, also referred to as alternative energy production facilities (such as solar photovoltaic and wind turbines) are required to notify their utility company, which includes electric cooperatives, of plans to construct, install and operate any system that will be connected to the utility's systems. Utility systems include electric transmission lines, distribution lines or attached equipment. Talk to your co-op about filling out an interconnection application in advance of purchasing or installing any distributed generation equipment.

**MYTH:** My electric cooperative will help cover the costs associated with determining if owning a distributed generation system is a good choice for me.

**FACT:** It is the sole responsibility of the member-owner to determine if owning a distributed generation system is a good investment. Your electric cooperative does not provide financial assistance with the analysis. However, electric co-ops have created this reference

### IF YOU'RE THINKING ABOUT INSTALLING A RENEWABLE ENERGY GENERATION SYSTEM, MAKE SURE YOU HAVE ALL THE FACTS FIRST.

information to help members-owners understand the complexity of owning a distributed generation system before making a decision.

**MYTH:** Because I already have a wind or solar generating facility on my premise, I don't need to contact my electric cooperative if I plan to expand my system.

**FACT:** Whenever a system expansion is planned, it's necessary to contact your co-op to ensure all electrical needs can be adequately met and that system reliability and safety are not compromised. In some instances, line upgrades may be necessary to serve the expansion. The system expansion will also need to undergo the same inspection process that

is required of a new generation system.

**MYTH:** I will be using all of the energy output that I generate with my distributed generation system; therefore, I don't need to contact my co-op.

**FACT:** No matter the size of the system or the power output, consumers are required to notify their electric cooperative of plans to construct, install and operate any system that will be connected to the cooperative's systems (electric transmission lines, distribution lines or attached equipment). Talk to your co-op about filling out an interconnection application in advance of purchasing or installing any distributed generation equipment. An interconnection agreement is also required prior to operating the system.

**MYTH:** If I install a distributed generation system, I won't need the grid.

**FACT:** In order to ensure reliable and uninterrupted power, individual renewable systems typically must be balanced with a continuous source of dependable power from central station generation. It's rare for individuals who want continuous and reliable electricity to be completely off the grid. Backup

#### For more information

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generation in the form of a gas-powered generator, battery bank or some other storage technology is needed if the consumer desires a continuous supply of power but is no longer on the grid. Backup systems can be more expensive and less reliable than currently available central station generation provided by an electricity provider using the grid.

**MYTH:** An interconnection agreement is not required between my electric cooperative and me.

**FACT:** To ensure your safety and that of your fellow cooperative member-owners, you must notify your co-op if you intend to install a distributed generation system and an interconnection agreement must be in place. Whenever a generating resource is connected and providing power, your co-op must be aware of the system so that line personnel and other employees are not put in harm's way. There are a number of safety mechanisms that must be taken into account and put into place with member-owned generating facilities.

**MYTH:** The grid acts as a battery for my excess kilowatt-hours.

**FACT:** The grid does not act as a battery for excess energy as it is not capable of storing electricity in a manner that is cost competitive with other technologies.

**MYTH:** If I install a distributed generation system, and my co-op requires an interconnection agreement, then my co-op is responsible for the maintenance of my system.

**FACT:** Your electric co-op does not have responsibility for the maintenance of member-owned distributed generation systems. The member-owner who owns

the resource is responsible for all necessary maintenance and repair investments and activities.

**MYTH:** Owning and operating a distributed generation system on my property does not present any additional safety issues for my cooperative.

**FACT:** Each type of generating source often has specific requirements. For example, in the case of a rooftop solar system, the International Fire Code requires a construction permit, specific signage and markings, properly spaced access points, and smoke ventilation, just to name a few. These measures are to ensure the safe and reliable operation of the system and to protect our member-owners and employees who interact with the power grid. If our linemen are not aware of an interconnected system, they could be at risk of serious injury when working on the distribution system. These requirements also support the protection of local safety personnel, such as the fire department, by ensuring that there is appropriate system notification in the case of fire to prevent injury.

**MYTH:** I don't need to have any additional insurance for my distributed generation system.

**FACT:** In most states, distributed generation owners are required to provide proof of general liability insurance as part of the interconnection agreement. Check with your electric cooperative for the specific insurance requirements needed for the system you are considering.

**MYTH:** Solar generation production matches my cooperative's peak demand periods.

**FACT:** Peak production for solar gener-

ation is typically between 2-4 p.m. and consumer electric use generally peaks in the early evening, which means there is a mismatch between energy production and energy consumption. In order to maximize the potential benefits of distributed generation, it's important to size the system properly and invest in the technology that coincides with providing the most output during your peak-use period.

**MYTH:** On a cloudy day, my solar generation system will produce the same amount of energy as it does on a sunny day.

**FACT:** Solar energy production is at its highest on a sunny day; cloudy skies can significantly impact production. Research shows that production may drop 60-70 percent or more on a cloudy day versus a mostly sunny day.

**MYTH:** My electric cooperative isn't engaged in renewable energy.

**FACT:** Your electric cooperative supports renewable energy and responsible environmental policies that balance the needs of the environment while providing affordable, safe and reliable power. Along with Hoosier Energy, your electric cooperative's power supplier and 17 other local electric cooperatives, we have invested millions of dollars into renewable resources, such as wind, solar, hydro, and landfill methane gas into our portfolios. In addition, your cooperative has a policy to obtain 10% of its energy from renewable resources by 2025. Recently, Hoosier Energy and their member cooperatives have invested in building 10MW of solar projects throughout southern Indiana. Each solar facility produces enough power in a year to serve 150 average cooperative homes.