

Solar Program FAQs

1. Can you recommend a solar installer or contractor?

Unfortunately, no. DME is a public entity and does not endorse or recommend using one private company over another. A quick internet search will provide you with commonly used contractors.

2. Can I install a solar system without a building permit?

No. You must obtain a building permit from the City's Building Safety Department.

3. How do I get a building permit to install a solar system in the City of Denton?

To obtain a building permit, you or the contractor need to submit the latest version of the Distributed Generation Manual and all required supporting documents through the City's Building Safety Division project submittal website:

<https://www3.cityofdenton.com/etrakit3/>

Note: On October 1, 2020 the Distributed Generation Manual and all required supporting documents, including interconnection agreement and rebate form will no longer be accepted through Denton Municipal Electric.

4. What are the changes made to the solar application process?

As of October 1, 2020, the following changes to the City of Denton's distributed generation application process are effective:

- All applications will be submitted through the City's Building Safety Division. DME will no longer accept solar applications.
- Applicants will create their permit through eTRAKiT at <https://www3.cityofdenton.com/etrakit3/>
- Applicants will receive a temporary log-in to ProjectDox at <https://projects.cityofdenton.com/projectdox/index.aspx> in order to upload application and supporting documents, including interconnection agreement and rebate form.

To familiarize yourself with the permitting process, please follow this link for the user guide <https://www.cityofdenton.com/CoD/media/City-of-Denton/Business/Permits%20and%20Licenses/Residential%20Permits/Online-Application-User-Guide.pdf> or contact the [City's Building Safety Division](mailto:Building@cityofdenton.com) at Building@cityofdenton.com or call (940) 349-8360.

5. Where can I find the Distributed Generation Manual?

The Distributed Generation Manual is available for download through:

City of Denton Building Safety Division website: <https://www.cityofdenton.com/en-us/business/permits-licenses/residential-permits>

DME's website: <https://www.cityofdenton.com/en-us/all-departments/utilities/denton-municipal-electric/lower-energy-bill>

6. We are considering getting solar panels. If we install them today, do we qualify for a rebate?

No. As of 12/4/2020, solar rebate funds for FY 2020-2021 have been exhausted. Permits created on or after 12/3/2020 will not receive a rebate. If a permit was created before 12/3/2020, the solar rebate for the project will be processed in the order it was received (i.e., we will look at the date, time, and permit number in chronological order). Permits created between 12/3/2020 and 9/30/2021 will not receive a rebate. Solar rebate funds for FY 2021-2022 will be available on 10/1/2021, pending City Council approval. Please check Denton Municipal Electric "Rebates and Resources" [web page](#) for updates on the Solar Program.

7. Do you reserve funds for projects installed between December 3, 2020 and September 30, 2021?

We do not reserve funds for applications and systems installed when funds are exhausted. Solar systems installed between these dates will not receive a rebate.

8. What is the average rebate amount given to DME customers who installed solar?

Rebates awarded to our residential customers installing solar systems vary depending on the system size. However, the average rebate amount is \$4,000.

9. What happens if I install a solar system after December 4, 2020?

If you create a permit and install the solar system on or after December 3, 2020, you will not qualify for a rebate. Keep in mind the following: rebate funds are available on a first-come, first-serve basis and are not reserved.

10. Do I need to be a DME customer or a City of Denton resident to qualify for rebates?

Yes. You need to be a Denton Municipal Electric customer or live inside DME's service territory to qualify.

11. Do I have to be the property owner to qualify for the solar rebate?

Yes.

12. Can I lease a solar system and still qualify for the solar rebate?

No. You must own or be under a purchase contract with a solar contractor.

13. Do you buy back the excess energy produced by the solar system?

Yes. DME will give you credit for the overproduction of energy. It is a 1-1 trade until you have entirely offset your consumption for the month.

14. What is the buy back or new rate plan?

The buyback rate is: \$0.0381/kWh.

15. Can you explain the buyback rate?

Explanation #1

It is a 1-1 trade until you have entirely offset your consumption for the month. Let's say that in a given month, you consume 1000kWh from the utility, but your panels return an extra 1200kWh to the grid to be net-metered (energy that your panels produce, but your house did not consume). 1000 of those 1200 kWh would directly offset the 1000kWh that you consumed that month, and you would not be billed for any usage (the \$8.67 residential connection fee would still apply). The extra 200kWh would earn you a credit of \$0.0381/kWh (the RCA, our proxy for the wholesale price of renewable energy). That credit would be first applied to your monthly connection fee, and then applied to other items on your City of Denton utility bill (e.g., water, solid waste, etc.) if the electric portion of your bill is completely paid for.

Explanation #2

When a customer interconnects solar onto DME's grid, DME will change their existing meter for one that is capable of measuring energy that flows from the grid to the home and energy that flows from the home to the grid. Energy produced by the solar generator is first consumed by the home; DME is unable to see/measure this energy. Any energy produced from the generator that is not consumed by the home and flows from the home to the grid is excess generation. Excess generation is bought from the customer by DME.

The chart below shows an example:

		<p>If system generated 1,500 kWh and pushed 500 kWh to grid, home used 1,000 kWh of generated energy.</p> <p>DME measure 800 kWh consumed, home used 1,800 kWh Total.</p> <p>This equals 1,000 kWh generated PLUS 800 kWh deliver by DME.</p>
Generation (according to system inverter – unknown by DME)	1,500 kWh	
Consumption (according to DME meter)	800 kWh	
Excess Generation (according to DME meter)	500 kWh	

DME buys energy that flows from the home to the grid. For generated energy that is equal to or less than the consumed energy, it is bought at the retail price. For generated energy over the amount of consumed energy, it is bought at the Renewable Cost Adjustment which is currently 3.81¢ per kWh. Any credit left over from your electric bill will be applied to another utility on your bill.

For example:

Example when Generation is Larger than Consumption			Example when Consumption is Larger than Generation		
Charges	Consumed 1,000 kWh	Excess Generation 1,500 kWh	Charges	Consumed 800 kWh	Excess Generation 500 kWh
Facility Charge	\$8.67	N/A	Facility Charge	\$8.67	N/A
Usage	\$68.40	(\$68.40)	Usage	\$54.72	(\$34.20)
Energy Cost Adjustment	\$34.10	N/A	Energy Cost Adjustment	\$27.28	N/A
Renewable Cost Adjustment	N/A	(\$57.15)	Renewable Cost Adjustment	N/A	(\$19.05)
Column Totals	\$111.17	(\$125.55)	Column Totals	\$90.67	(\$53.25)
Bill Amount		(\$14.38)	Bill Amount	\$37.42	

16. If I have a solar system and overproduced energy, would the excess energy be applied to my water bill?

Yes. If you pushed back enough energy to have a credit larger than your electric bill, it will be applied to your other utilities.

17. Can I carry over excess energy produce credits from one month to the next?

Yes. For instance, if someone were to get enough credit that it fully wiped out all of their City utilities charges due for that billing period (e.g., solid waste, water, sewer), then the credit would roll over to the next month. However, this happens rarely.

18. Is the Current Rate Structure guaranteed for the life of my installation?

No. The current rate structure, including the excess buyback rate is subject to change by City of Denton Ordinance.

19. Who do I contact if I have solar rebate question?

If you have questions pertaining to the solar rebate, email DME at solar@cityofdenton.com or call (940) 349-7595

20. Who do I contact if I have a billing question?

If you have questions pertaining to your electric bill or usage, email the City's Utility Customer Service Department at Customer.Service@cityofdenton.com or call (940) 349-8700.

21. Who do I contact if I have a permitting and inspection question?

If you have questions pertaining to permitting and inspection questions, email the City's Building Safety Division at Building@cityofdenton.com or call (940) 349-8360.