

New guidelines for Iowa home solar energy systems



Installing a solar energy system on your home can help you take advantage of the sun's rays, support the environment and save money over time.

Solar energy systems depend on the power grid, so it's important to consider how they interact.

When you want to install a solar energy system, one key question is how large of a system you need.

We are piloting a new calculation to help customers select the size of solar energy system that best meets their needs. Sizing systems according to need helps us hold down costs for all customers. This new calculation is part of a pilot program that took effect May 4, 2017.



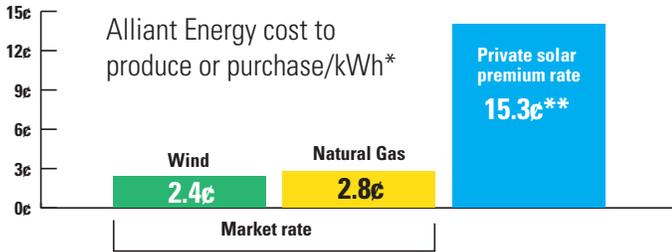
Alliant Energy is issuing a new sizing guideline

We are balancing two issues:

1. The importance of developing solar energy in Iowa.
2. Our responsibility to secure reasonable energy prices for all Iowa customers.

The cost of electricity

We make and buy energy on behalf of our customers. The less we pay for power, the less our customers pay. We can produce or purchase renewable electricity on the market at a fraction of the cost of privately produced power.



To support solar energy development in Iowa, we pay a premium for private solar power. This is where our new sizing guideline comes in.

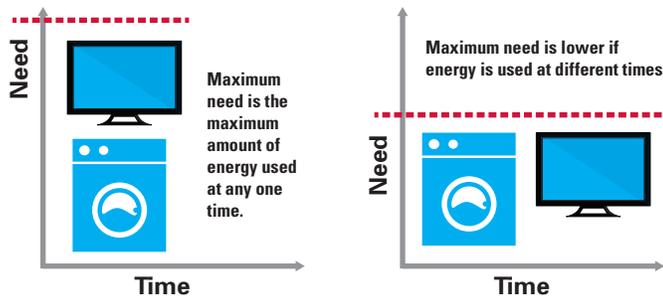
How the sizing guideline is calculated

The guideline is a new calculation that estimates the size of system your home needs. It is based on your specific energy usage.

We calculate a customer's required system size based on the customer's maximum need (also called "load" or "demand"). Maximum need is similar in concept to streaming data – it means the largest amount of electricity being used all at once.

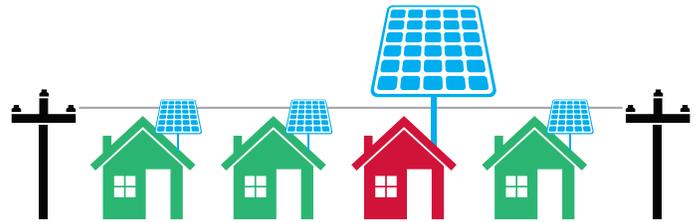
Why maximum need is important

Electricity cannot be stored; it must be used instantly. Our local power grids must be robust enough to deliver electricity at the moment of maximum usage by customers.



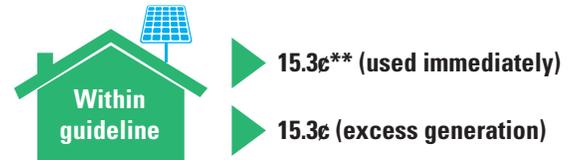
Larger systems may produce more than a customer needs at their moment of highest usage and have the potential to strain the neighborhood's power grid.

As of April, 2017, we have helped connect more than 2,200 customer-owned solar energy systems to our local power grid in Iowa.



Benefits of sizing my system according to the guideline

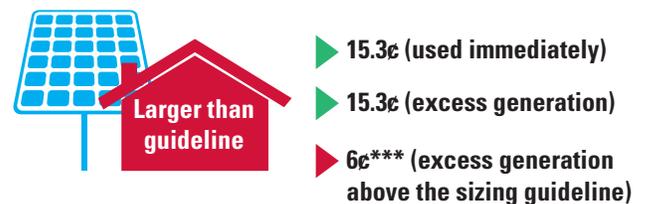
When you size your system according to the guideline, all of the power you produce will be eligible for compensation at the premium rate.



You can build as large a system as you want – we do not restrict the size. You will receive either bill credits or payment for all output from your renewable energy system.

The question is whether all of the power you produce will be eligible for compensation at the premium rate, or whether some of it will be compensated at the (lower) market rate.

When your system is larger than the guidelines, then some of the generation may be compensated at the premium rate and some may be compensated at the market rate.



Next steps

We will evaluate and provide the pilot's results to the Iowa Utilities Board. The pilot will be available for at least three years from its effective date. It may be extended for up to two additional years. Iowa customers on the pilot can remain for the life of the interconnected equipment, up to 25 years.

Questions? Call 1-800-972-5325 or email sellmypower@alliantenergy.com.

*April 2017 market cost of energy

**15.3¢ is the average residential retail rate including energy and transmission cost.

***6.33¢ is the current Cogeneration and Small Power Production (CSPP) rate for "available non-firm energy." The actual rate will be the CSSP rate in effect at the time of the payout

