

Net Metering: The Customer View

Washington NEM History:

1998 - RCW 80.60, 0.1% threshold, 25 kW limit

2000 - Fuel Cells added, no onerous interconnection requirements

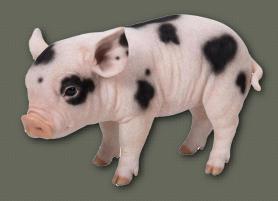
2006 – Fuel Cells defined, 25kW limit increased to 100kW, threshold lifted to 0.25%, then 0.5% in 2014, utility circuit capacity can limit NEM, 4/30 end date

2007 - Meter Aggregation added

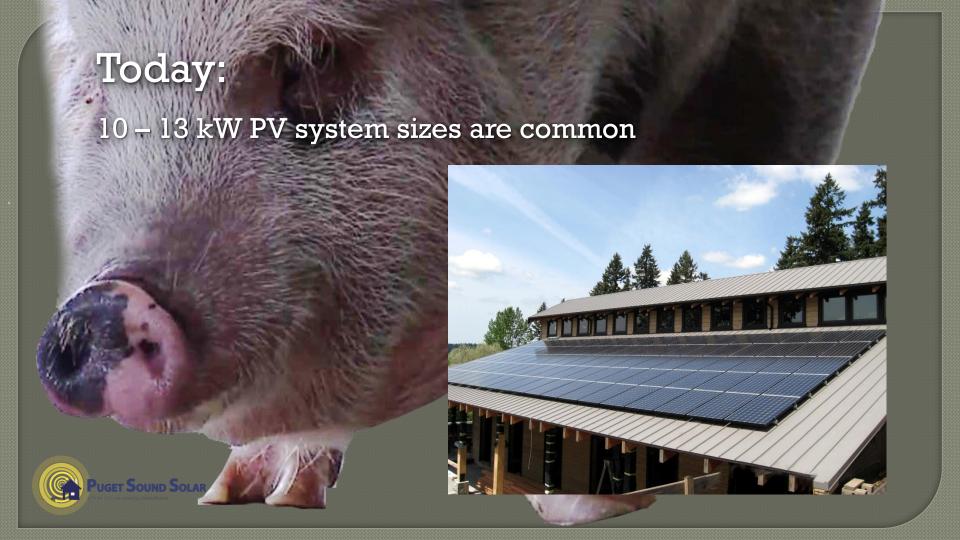


The Early Days:

1 – 3 kW PV system sizes were common, bill credits were not.











Financial Implications and Strategic Responses to a Changing Retail Electric Business



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Prepared for: Edison Electric Institute



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Paying for Utility Politics

How utility ratepayers are forced to fund the Edison Electric Institute and other political organizations

May 2017



ENERGY AND POLICY INSTITUTE





The Case for Self Consumption:

It's like Load Reduction, albeit with a curve Gets retail credit for the customer-generator EV's charged during the day = bigger "shoulders"

Smart appliances
Smart buildings
Smart meters
Storage









The Case for Net Metering:

First, why are we doing this? – RCW 80.60.005

The legislature finds that it is in the public interest to:

- (1) Encourage private investment in renewable energy resources;
- (2) Stimulate the economic growth of this state; and
- (3) Enhance the continued diversification of the energy resources used in this state.



The Case for Net Metering:

Next, let's define it – RCW 80.60.010

(9) "Net metering" means measuring the difference between the electricity supplied by an electric utility and the electricity generated by a customer-generator over the applicable billing period.



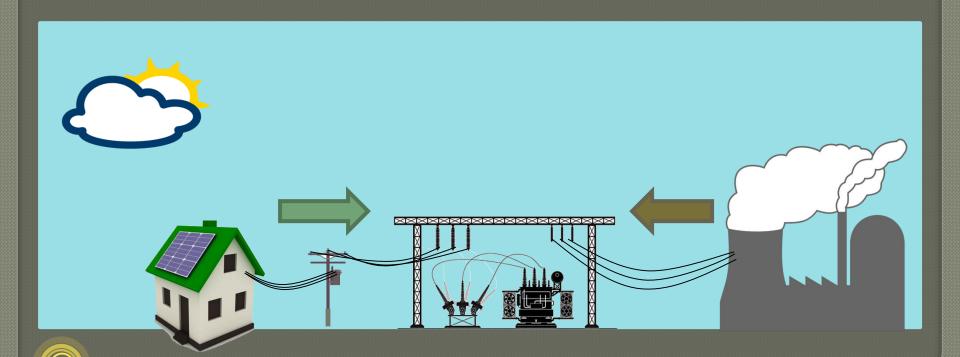
The Case for Net Metering:

How does it work? – RCW 80.60.030

- (3) If electricity generated by the customer-generator exceeds the electricity supplied by the electric utility, the customer-generator:
- (b) Shall be credited for the excess kilowatt-hours generated during the billing period.



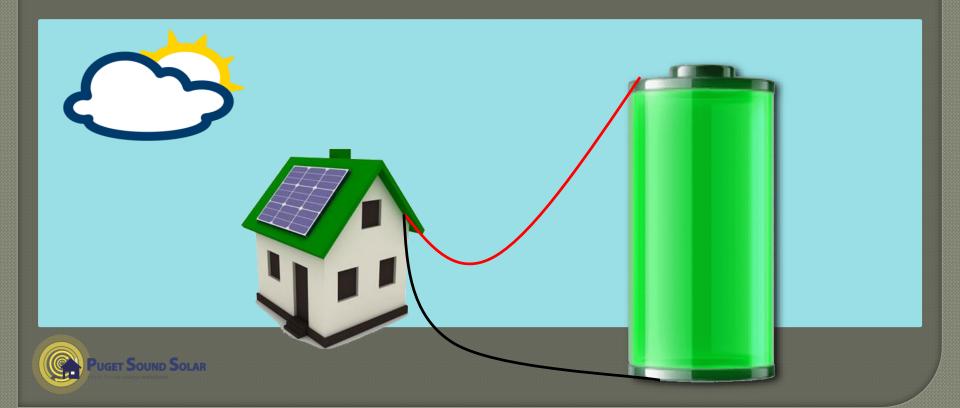
The Utility View of Net Metering:



The Customer View...



The Customer View...



Can We Talk? (about the value of the grid)

- We have talked the VALUE OF SOLAR to death
- We are no closer to agreeing on what that is
- We do have an established value of the grid, though

Utility customers already pay a basic Service Charge.

In Richland for example, it's \$19.20 / month for residences.

There is no penalty for not using electricity.

Should there be a penalty for using less-than-no electricity?

VALUE OF THE GRID



Here's an idea:

- I'll connect a net metered solar power system to my circuit breaker panel.
- If I have credits when my meter is read, I will pay \$0.02 / kWh to rent 'space' on the grid for the billing period.

That way I'm paying extra for the use of the grid, but the cost is not prohibitive, and it encourages self-consumption

VALUE OF THE GRID



What Solar Installers Support:

A simple bill to increase the net metering threshold to 4% of a utility's 1996 peak load.

A stipulation that unused kWh would be donated to those in need.

Also, increasing the 100 kW limit to allow larger C & I installations where solar may never exceed the load.

VALUE OF THE GRID



VALUE OF THE GRID

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THINK ABOUT IT

