



Rocky Mountain Power's NET METERING Rate Schedules #135, 136, and 137

1 message

Marvin D Ashcroft <mashcroft@sbcglobal.net>
To: psc@utah.gov
Cc: jeffersonmoss@le.utah.gov, janderegg@le.utah.gov

Sat, Aug 14, 2021 at 11:46 AM

Dear Utah Public Service Commission,

I am writing to bring to your attention the insidious solar Net Metering Rate Schedules #135, #136, and #137 that force non-solar rate payers to subsidize solar customers. The three rate schedules are similar except for the amount that they pay the customer if they have a net export of power to the utility. The following link is the [Rocky Mountain Power brochure on Net Metering and the Blue Sky programs](#).

I just recently returned to Utah after working for Pacific Gas and Electric Company (PG&E) as an electrical engineer for the past 35 years. I was horrified to see Rocky Mountain Power has implemented Net Metering programs similar to PG&E which has caused their rates to continuously increase to unsustainable levels (currently 3 tiers: Tier 1 @ 26 cents/kw, Tier 2 @ 33 cents/kw, Tier 3 @ 41 cents/kw).

Rocky Mountain Power's current residential rate has two tiers: Winter Tier 1 @ 8.2 cents/kWh up to 400kWh, Winter Tier 2 @ 10.6 cents/kWh in excess of 400kWh, Summer Tier 1 @ 9.3 cents/kWh up to 400kWh, Summer Tier 2 @ 12.0 cents/kWh in excess of 400kWh. The total electric rate pays for the following utility costs: generation costs (typically 30-50%), transmission (typically 10-15%), and distribution (typically 40-45%).

The Net Metering allows solar customers, in addition to getting a 26% federal tax credit and a \$1200 state tax credit on the installed solar cost, to get full rate credit for power they produce. The utility replaces the solar customer's directional meter that only measures power consumed with a bi-directional meter that measures power consumed and subtracts excess solar power exported to the utility. Thus, solar systems are designed so the solar customer's net annual bill is \$0. The solar customer gets full rate credit for power they produce, which is unfair to non-solar customers who then have to pay for the solar customers cost to be connected to the utility grid from which they still benefit by getting power after sundown and on cloudy days.

The fair solution would be for the utility to install a second meter at the solar customer to measure their solar generation produced and only credit them for the generation cost that is avoided by the utility, and charge them a transmission and distribution rate for power generated since they still need the grid to take their excess power and provide power when their solar is not producing. The original directional house meter would measure power consumed from the grid, for which the solar customer would pay the normal full rate. This would compensate the solar customer fairly for the power they generate.

When one customer installs solar and switches over to Net Metering (bi-directional metering), then the utility loses that revenue and has to raise rates on everyone else to make up the shortfall. When taken to the extreme, if every customer switched to solar on the Net Metering program and zeroed out their bill, then the utility would have no revenue. Then what? Then the utility would raise the minimum basic fee (which is currently \$8) on every customer to what ever they needed to get the revenue required to cover their transmission and distribution costs and nighttime power generation costs. This is not told to the solar customers! They are only told they will be getting rid of the electric bill. Until that time, as more and more customers are convinced to go solar because of all the subsidies that make it seem the cheaper solution, the utility has to continuously raise their rates on the non-solar customers to make up for the declining revenues. So, the non-solar customers end up footing the bill of the solar customers.

We do not want to follow California's example. PG&E has so much solar now, both residential and commercial Net Metering customers as well as large solar farms, that they are forcing gas-fired generation plants offline or back down production during daylight hours which means they have to charge more per kilowatt-hour. This also causes electric rates to go up.

It is questionable that solar is really more economic than traditional power plants. If it were, why doesn't Rocky Mountain Power just install big solar farms in the deserts and lower the rates that everyone pays. But instead, they offer their Blue Sky program that allows customers, who can't afford to install their own solar panels but still want their power to come from solar, to pay \$1.95 per 100 kWh more (not less) to have solar power generated on a solar farm for them. To get a true cost comparison, one would need to disconnect a home from the grid and install a solar and battery system and maintain it over a 30 year period to see what the total annual cost of

solar is compared to the annual cost of a similar home connected to the grid. A long test period is required to determine what the true life and replacement cost for the batteries, the inverters, and the panels. For remote dwellings where it is uneconomical for the utility to extend a line for service, a stand alone solar system may be the economical solution. But for homes in cities and towns, solar is only made to look economical with all the federal and state tax credits and the insidious Net Metering programs.

Before I left PG&E I spoke to a person in their rates department and asked how long their Net Metering program could continue before they would have to make a change in the way they charge for service. The person admitted that the current rates were not sustainable. They were planning to start new talks with the CPUC to end the Net Metering program and implement a flat fee for service type of rates.

The question I have is why an electric utility like Rocky Mountain Power is offering Net Metering programs for solar when their rates are so low and reasonable. I believe the answer may lie with the EPA's increasing emission standards during the Obama administration. The Obama administration increased emission standards such that utilities with coal-fired plants or even gas-fired plants could not meet the new standards. I never heard that the Trump administration did anything to repeal these increased standards.

I think if the public knew that they were having to pay solar customers bills and that the Net Metering program causes continuous rate increases, then there would be a strong demand to have Rocky Mountain terminate the Net Metering program.

These Net Metering rate schedules are insidious because their consequences are not made public knowledge. People don't know that they footing the bill of their solar neighbors.

These Net Metering rate schedules are totally unfair and need to be terminated! A new fair rate schedule must be created for those who still want to install solar that charges them a transmission and distribution rate (full rate minus the generation rate for avoided utility generation) for power generated and full rate for power consumed from the grid when their solar is not generating.

Please act to make these changes. Non-solar customers should not have to pay for solar customers.

Sincerely,
Marvin Ashcroft