

September 3, 2008

Public Service Commission ~

I am writing to give you my view on the up coming September 11th hearing on Net-Meeting.

But first, let me introduce myself. My name is Gerald Whipple, President and Founder of Solar Unlimited Energy & Homes, Inc. in Cedar City. I have been living off of and installing renewable energy for 10 years. Solar Unlimited is the largest renewable energy company in Southern Utah and currently has 9 employees. In 2007 we installed 80 systems, 15 of which were grid-tied and are currently on track for 2008 to match last year.

I will address the proposed net-metering changes and some current rules. At the end I will give my opinion of possible solutions.

- 1) **Governing Authority;** at this time Rocky Mountain Power and local Co-Ops are not friendly towards net-metering. Giving them Governing Authority would be like having the "fox guard the chicken coop". In 2002 when net-metering was first introduced into law, I went into the local Utah Power & Light/Rocky Mountain Power office to ask their assistance to understand what would be expected to do net-meeting. I was told in no uncertain terms "back feeding the grid was illegal and they would remove the meter from any customer (cutting their power) trying to do so". This attitude continued into 2003, which lead me to do guerilla solar. In 2004 I discovered from a customer that if you called the Portland office they would issue a work order. One net-metering system I installed in 2005 they said that they would do an inspection when they set the new meter. A date and time was set but Utah Power & Light/Rocky Mountain Power never showed so the owner turned on the system. Two months later Utah Power & Light/Rocky Mountain Power showed up wanting to inspect the system, the owner said no. The new meter was set and they left. Even now Rocky Mountain Power will take 2 to 3 months to show up to do a final inspection. When we have completed the installation of a net-metering system, including the building inspection, we will show the owner how to use the system and inform them that it is not to be activated until Rocky Mountain Power has inspected it. We also inform them that it may take 2 to 3 months for Rocky Mountain Power to show up; thus, what do you think happens when we leave. Until net-metering becomes more accepted, giving Governing Authority to Rocky Mountain Power or any utility company will be disastrous for the growth of net-metering.
- 2) **Value of Excess Energy Generated by the Customer;** the current rules are without question in the utilities favor. When I explain the way that the net-metered energy is handled EVERY SINGLE PERSON is in disbelief. It is bad enough that the customer gets "avoided cost" for what they net-meter but to just lose everything at the end of the annual period is completely unfair. Rocky Mountain Power will sell that energy, so why is it that they do not have to pay for it. The Co-Op Utility Companies are even worse than Rocky Mountain Power; they give avoided cost of what is net-metered but will charge the customer \$30.00 per month to be on the net-metering program. If you want to increase the net-metering program than it needs to be more fair to the consumer.

- 3) **Discontinue Net-Metering Program at .1%**, at which side of the meter base???
The entire purpose of the net-metering program is to lower the customers' energy demand. What this means is that the customer will consume what energy is produced first before the energy goes back to the utility. This means that if a home installs a 2 kW system, as little as 10% may go back to the utility. But the rules are saying that this system would be considered a 2 kW towards the utilities .1% of capacity. How is this fair? If this is a net-metering program than count net-metered energy being back-fed to the utility company not the system capacity; or why not 1% of their total system capacity. Compare apples to apples.
- 4) **Service Disconnects**, at this time service disconnects are required to be within 3 ft of the meter base. I have been told that this requirement was for the lineman's safety. If a power outage was to occur, all the net-metering systems could be disconnected and locked out. Now I have been informed that the service disconnect is for the meter readers, should they need to replace a meter, they can disconnect the net-metering system. This is illogical, what happens on a regular meter change out now? Electrical current is flowing across the meter to the customer. When the meter is removed the current stops, making a power outage. When the meter is returned, electrical current instantly flows to the customer. As a matter of fact, most appliances will come on at once after a power outage creating more electrical flow. However, all inverters, due to UL 1741 requirements, will disengage from the utility during a power outage or any disruption of power and will not reengage until 5 minutes after the power is stable. This means that as the meter is being installed there is not any net-metering occurring therefore making the service disconnect irrelevant. At the very least, due to complications of placing the service disconnect by the meter base, a permanent sign should be placed at the meter base informing them of the location of the accessible service disconnect. This is allowed by Moon Lake Electric.

As I said at the beginning, I would like to give my opinion on possible solutions:

- 1) The Public Service Committee should remain the authority to give the consumer some hope to having a fair chance in dealing with the utility companies and co-operatives.
- 2) Renewable energy value should be a 1kw for a 1kw monthly credit, then at the end of the annual cycle the excess net-metering credit should be bought at avoided cost such as the program being run by The City of St. George. With the exception of farmers, who should be allowed to continue to carry over their credits so they can be applied to their irrigation pumps which are only used during the summer months.
- 3) Renewable Energy Credits (RECs) will be assigned to the utility in exchange for the above credits. The process of selling RECs may be too complicated for an individual or small business to deal with.
- 4) Net-Metering system sizes should not to be larger than 75% of the customer's average annual usage.

- 5) The rated output capacity of a net-metering system should be compared to the generating capacity of the utility company. At .1% of the electric companies peak demand is ridiculously low. A more realistic number at this time should be 1% of capacity.
- 6) Service disconnects should not be mandatory for systems under 6kw. The inverters under UL 1741 are required to disengage from the utility during power fluctuations or outages. Or, at the very least, the service disconnect should not be required to be placed at the meter based, but a permanent sign should be placed at the meter base informing them of the location of the accessible service disconnect.
- 7) No matter what size the utility company is or whether it is an Out-of-State utility company, they should all be required to follow Utah law to allow net-metering. All Utahans should have the opportunity to lower their electric bill.

In closing, I believe the Public Service Commission needs to find a middle ground between the utilities, consumers and the future needs of our state and nation. This will not be an overnight process nor an easy task, but the first few steps are the most important.

The current rules are now, and will continue to, slow the renewable energy process from becoming more accepted.