

# NET METERING: IT'S A GOOD THING

**By Frank Young**

How would you like to make your electric meter run backwards? “Net metering” is a concept that would change West Virginia Public Service Commission (PSC) rules to allow homeowners to be reimbursed for any excess electricity they may generate from alternative sources like solar, wind and other means.

Allan Tweddle, Renewable Energy Campaign Coordinator for the WV Environmental Council (WVEC) recently said, “Net metering is an important tool for moving forward on renewable energy policy”.

Recently, on behalf of WVEC, I intervened in the WV PSC’s ongoing, although nearly stalled, investigation of into implementing net metering in West Virginia. Information on how you can participate and comment in this important case is at the end of this article.

Net metering is often considered as part of electric restructuring or deregulation, but which has not been approved by the WV state legislature. However, several states have implemented some form of net metering while maintaining regulated rates for electricity. Those states include: Colorado, Idaho, Indiana, Iowa, Kentucky, North Dakota, Oklahoma and Wisconsin, and perhaps others. Those states have implemented net metering by rule or order of the respective regulatory commission or by utility tariff filing.

West Virginia law (WV Code § 24-1-1) directs the WV Public Service Commission to regulate the practices and services of public utilities for the provision of economical utility services and the encouragement of the productive use of the state’s energy resources. Net metering is a concept that is receiving national attention. It is the practice of measuring the difference between the total generation and total consumption of electricity by customers, usually home and small business owners with small generating facilities. One of the goals inherent in a net metering program is the encouragement of private investment in renewable energy resources.

Other goals of net metering are diversification of energy resources and improving the environment. Thus, net metering has the potential to provide both economic and productive use of the state’s renewable energy resources. “In essence, net metering allows a homeowner to generate power for the home and to supply any excess electricity to the power company,” explained former PSC Chairman James D. Williams. “This power moving onto the grid has a value, but there’s also a cost for the company to maintain the lines and to safely move that power. So, we’ve asked the companies to suggest what they think would be a fair way to compensate the supplier, how that compensation for the new power could be efficiently tracked, and what other considerations they think would be prudent to make sure such a program would work.”

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More than three years ago the state PSC opened its “investigation” into tariff (rate) filing or rulemaking that would allow and regulate net metering in West Virginia. Both official PSC agency and public interest in the case in the intervening months has been lackluster. Only 13 case comment or document filings are indicated during all that time.

Asked recently why progress in the net metering investigation case had been so slow, Earl Melton, the PSC’s Engineering Division Director, said, “There has been no constituency for net metering”, explaining that almost no one has been making requests or comments to the Commission on net metering matters.

Some of us believe that the net metering issue does indeed have a constituency, but that there has been little publicity around which to activate those interested in net metering to offer comments to the Commission.

Net metering is an important piece of the renewable energy puzzle in West Virginia. With net metering there is a bigger incentive for residents to invest in solar and wind power equipment, and other renewable energy sources.

In coming months I will report on power company posturing on net metering issues, and on some relatively low cost home sized renewable energy components and related technology. And the WV Environmental Council will include net metering in its larger campaign for renewable energy development, including public education and lobbying for better public policy leading toward renewable energy development.

Registering you comments about net metering is easy:

Public comments are being accepted by the WV Public Service Commission. It is important that your letters of comment begin by citing the PSC’s case number which is: 02-1495-E-GI- Net Metering. Comments need not be either technical or lengthy. Short and concise comments are best. If you think of or learn of other net metering related comments later, you can always submit additional comments. Send comments to:

Executive Secretary, WV Public Service Commission, 201 Brooks Street, Charleston WV 25323

Always reference Case Number: 02-1495-E-GI-Net Metering.