

Jean Jewell

From: puc@dagley.net
Sent: Wednesday, August 14, 2013 9:48 PM
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Subject: Case Comment Form: Kelley Dagley

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Name of Utility Company: Idaho Power
Acknowledge public record: True

Comment:
IPC-E-12-27

If a net metering customer takes service through multiple meters at one or more premises, should the customer be allowed to apply net metering credits to offset usage on the other meters? If so, what conditions should apply?

Yes.

A universally applicable method of financial value ratios for credits will not only simplify our current issue with meter aggregation, but will also set in place a straight forward method for any future and potentially complex rate schedules.

Problem:

One Idaho Power metered account has net excess generation that it cannot consume. Some other Idaho Power metered account(s) would like to use this excess generation. The accounts may not be on the same rate Schedule and credits must be properly valued.

Solution:

- 1) Convert all net excess metered kWhs to "Credits" by ratio of their retail value when generated to the lowest kWh rate in the first Schedule.*
- 2) Use "Credits" by multiplying by the lowest rate in the second Schedule and applying to all components of the bill except the Customer Charge.

Example:

An account with Small General Service on Schedule 7 using net metering produces 500 excess kWhs in the Non-summer. Another account with Time-Of-Day Residential Service on Schedule 5 wishes to consume these excess kWhs in the Summer.

Schedule 7 Energy Charge, per kWh

Summer:

9.0436¢	First 300 kWh
10.9108¢	All Additional kWh

Non-summer:

9.0436¢	First 300 kWh
9.5245¢	All Additional kWh

(lowest overall rate in Schedule = 9.04 base rate)

Schedule 5 Energy Charge, per kWh

Summer:

12.0444¢ Peak
6.5921¢ Off-Peak

Non-summer:

8.6993¢ Peak
6.5921¢ Off-Peak

(lowest overall rate in Schedule = 6.59 base rate)

Schedule 7 account (Non-summer tiered rates on Net Metering):

300 kWh x 9.0436¢ / 9.04 = 300.0 "Credits"

200 kWh x 9.5245¢ / 9.04 = 210.6 "Credits"

TOTAL = 510.6 "Credits"

Schedule 5 account (Summer Peak & Off-Peak rates):

150 kWh x 12.0444¢ Peak = \$18.07

350 kWh x 6.5921¢ Off-Peak = \$23.07

usage = \$41.14

credit = 510.6 "Credits" x 6.59 = \$33.66 TOTAL DUE \$41.14 - \$33.66 = \$7.48

This method correctly values the generation of "Credits" when produced and the use of "Credits" when applied, regardless of Schedule design or time of year. It also prevents gaming (as was possible with cash payments) where credits were generated in a high base rate Schedule and used in a low base rate Schedule, since "Credits" are always converted at the lowest rate of the given Schedule.

Also, note that these same 510.6 "Credits" could optionally be used on a following Summer month in the original Schedule 7 account (Summer tiered rates):

300 kWh x 9.0436¢ = \$27.13

200 kWh x 10.9108¢ = \$21.82

usage = \$48.95

credit = 510.6 "Credits" x 9.04 = \$46.18 TOTAL DUE \$48.95 - \$46.18 = \$2.78

Again, the same techniques would also work for excess generation on a Time-Of-Day Net Metering account if such a schedule existed. In fact, it would be the best possible way to reduce cross-subsidies.

As for who should be allowed to exchange credits, many options are available:

1) Accounts where the customer's Federal Tax ID is identical.

Prevents any possibility of passing taxable value.

2) Accounts with the same billing address.

Assumes one address limits sharing due to accounting and privacy.

3) Accounts with contiguous property.

Allows neighbors to aggregate credits without exceeding usage.

4) Accounts on the same Idaho Power distribution network.

Prevents distribution imbalances due to clustered generation.

5) Accounts belonging to "approved" groups.

Allows controlled flexibility.

6) All Idaho Power Accounts.

Residential customers are each limited by the 25kW cap and credits have no cash value, so overproduction can never occur. Encourages individual resourcefulness and statewide energy independence in a free competitive environment.

Thank you,
Kelley Dagley
424-0558

Please also see the Model Rules For Shared Renewable Energy Programs (June 2013):
<http://www.irecusa.org/wp-content/uploads/2013/06/IREC-Model-Rules-for-Shared-Renewable-Energy-Programs-2013.pdf>

*This is recommended by IREC Model Net Meter Rules: "(b)(5) ...Excess monthly kWh credits shall be based on the ratio representing the difference in retail rates for each time of use period." (page 4) <http://www.irecusa.org/wp-content/uploads/2009/11/IREC-NM-Model-October-2009-1-51.pdf>

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