

## Protect Solar and Net Metering in West Virginia!

### What is being proposed?

Large utilities in West Virginia (Mon Power and Potomac Edison) are asking the WV Public Service Commission (PSC) to slash in half the credit that their solar customers get for producing power that the utility uses. This would mean that people pay for power at double the rate that they get credit for it. It isn't fair!

### What is Net Metering?

Net metering is one way that solar installations are cost-effective for their owners. Most residential and small business solar installations are connected with the grid. When the solar generation is less than the building's energy needs, electricity flows from the grid to the home. When the solar panels generate more energy than is being consumed, the excess is exported to the grid. Under net metering, customers are only billed for the difference between what they use and what they generate. Exported energy earns the customer credits on their bill, this 'bank' of credits will offset future bills when consumption exceeds generation— allowing a customer to use the credits from excess energy generated by the solar panels in the summer to offset their bill during cloudy winter months.

### Net metering is critical to support the growth of distributed (rooftop) solar jobs

Net metering is critical to make solar markets viable. Without strong net metering policies, far fewer distributed solar installations are built. For example, in Nevada, new residential solar installations [dropped by 92% after net metering was weakened](#) and the state [lost 2,600 solar jobs](#). After public and industry outcry, the state reinstated net metering, which led companies to return to that market and solar installations began to bounce back.

### How Net Metering Works for West Virginia's large utility customers

<b>How big can a net metered solar installation be?</b>	<i>Industrial: 2 MW Commercial: 500 kW Residential: 25 kW</i>
<b>How is exported energy valued each month?</b>	<i>For each kWh of generation beyond what a customer uses, the customer is credited for one kWh at the full retail rate (what a customer pays for electricity)  If the customer produces more than they consume, they are credited for the excess energy, to be used in later months if they generate less than they consume.</i>
<b>Are net metering customers paid for excess energy that the utilities use?</b>	<i>No. Customers are not paid for excess energy, only given "store credit" at the utility. And now at least two utilities want to cut that credit in half!</i>
<b>What is the limit on how much net metered solar there can be in West Virginia?</b>	<i>The state's total net metered capacity is capped at 3% of the previous year's peak load. No WV utility has ever exceeded 1%.</i>

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### **A host of studies show that net metered solar benefits non-solar utility customers**

These studies have generally found that the economic and environmental benefits that net metered solar provides to the broader grid exceed the retail cost of energy or that the impact on other ratepayers is negligible at current solar penetration levels. For example:

- [A national review of the value of solar](#) - “The results show that **grid-tied utility customers are being grossly under-compensated** in most of the U.S. as the value of solar eclipses the net metering rate as well as two-tiered rates. . . . [S]ubstantial future work is needed . . . to ensure that grid-tied solar PV owners are not unjustly subsidizing U.S. electric utilities.”
- [Evaluation of Net Metering in Vermont](#) - “[**Net metered systems do not impose a significant net cost to ratepayers** who are not net metering participants. ”
- [2015 National Study](#) - “A review of 11 recent analyses shows that individuals and businesses that decide to “go solar” **generally deliver greater benefits to the grid and society than they receive through net metering.**”
- [Net Metering in Mississippi: Costs, Benefits, and Policy Considerations](#) - “Net metering provides net benefits under almost all of the scenarios and sensitivities analyzed.”

### **Net metering helps build a more equitable energy system**

Our current utility laws concentrate control and wealth in a small number of utility monopolies and power plant owners, giving consumers little control over how their energy is generated and what it costs. West Virginians have seen some of the highest rate increases in the country over the past decade or two. Net metering not only leads to more solar energy being installed and creates local jobs, but it also supports a more decentralized and independent energy system.

### **Utility opposition to net metering is based on perceived threats to shareholder profits**

The current utility business model rewards utilities who sell more energy and build more infrastructure. Because rooftop solar reduces the amount of energy a customer must buy from the grid, monopoly utilities see net metering as a threat to their corporate profits. In a 2012 board presentation at one utility (Edison Electric Institute), an executive admitted that a lobbying campaign against net metering was designed to “grow earnings and enhance infrastructure. . . .”