

Washington Electric Cooperative

Senate Natural Resources & Energy
Committee

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Benefits to WEC of Solar

- Increase or decrease in line loss costs for all other rate payers?
 - In theory there are some
 - WEC has not experienced discernible impacts on losses (decreased or increased)
 - Not measurable thus far

- Impacts from lower costs for ISO charges and other power related savings?

Net Metering

Updated for 2016 Impacts of Solar

2013 Summary Solar Impacts Power Costs Reduction

Category	dollars/kwh	Notes	Updated for 2016 dollars/kwh v2016
Energy	\$ 0.05513	Based on hourly solar array production for Burlington VT and RT prices in 2013	\$ 0.0299
Forward Capacity Market	\$ 0.01307	WEC's 2013 FCM Load Obligation and assumed peak Solar for the year coincident with ISO Peak (539 kw out of 1 MW system)	\$ 0.0141
Ancillary Market Products	\$ 0.00325	Based on hourly actual charges for all other ISO products in 2013 by RTLO	\$ 0.0026
ISO-NE Transmission	\$ 0.00954	WEC's monthly NWL at time of monthly VELCO Peak * RNS and Schedule 1 Rate. Adjusted NWL down for solar array production at time of VELCO Peak (only 5 months coincident with VT peak)	\$ 0.0108
GMP Transmission	\$ 0.00467	WEC's peak at time of GMP peak (Solar array had values 4 months of the year based on GMP peak	\$ 0.0027
VELCO Transmission Deferral	\$ 0.01000	Estimated value of T&D Deferral	\$ 0.0100
Grand Total Reduction in Power Costs (\$/kwh)	\$ 0.0957		\$ 0.0702
		WEC Payments (\$/kWh)	
		Net Excesss Generation	\$ (0.14919)
		RECs	\$ (0.03000)
		Siting	\$ (0.01000)
		Net Savings (Loss) to WEC (\$/kWh)	\$ (0.11898)

- Increase or decrease in the need to construct transmission and distribution infrastructure?
 - WEC has to build wires, poles, substations to the peak load day
 - Peak is in winter (Dec – Feb) between 6 pm and 7 pm
 - There is zero solar load reduction during WEC peak
 - Hence WEC sees no T&D or infrastructure savings from solar

- What is the cost shift to other rate payers?
 - If we see 1,300 kW in 2017
 - $1,600,000 \text{ kWh} \times \$0.12 \text{ per kWh loss} = \$192,000$
 - Equivalent to 1.4% rate increase to rest of WEC members

WEC Supports Net Metering Rule

- Not perfect but think it should be allowed to move ahead
- Wide and Divergent Input went into rule
 - Broad array of stakeholders
 - Public Hearings
 - Written comments
 - Input
 - Transparent
 - Compromise
- Our members want Net Metering
- Program consistency eliminates confusion
- Installers seek uniformity
- PSB will look at results every 2 years

Questions & Thank You

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