

ROOFTOP SOLAR IN THE CITY OF MADISON

PROPOSED REDUCTIONS IN SOLAR VALUES (MGE & ALLIANT)

MAY 22, 2023





JUDA SCHOOL A NET METERING CUSTOMER



Net Metering

How does it work

Impact on clean energy adoption

MGE Proposal

Alliant Proposal

How to Engage



NET METERING

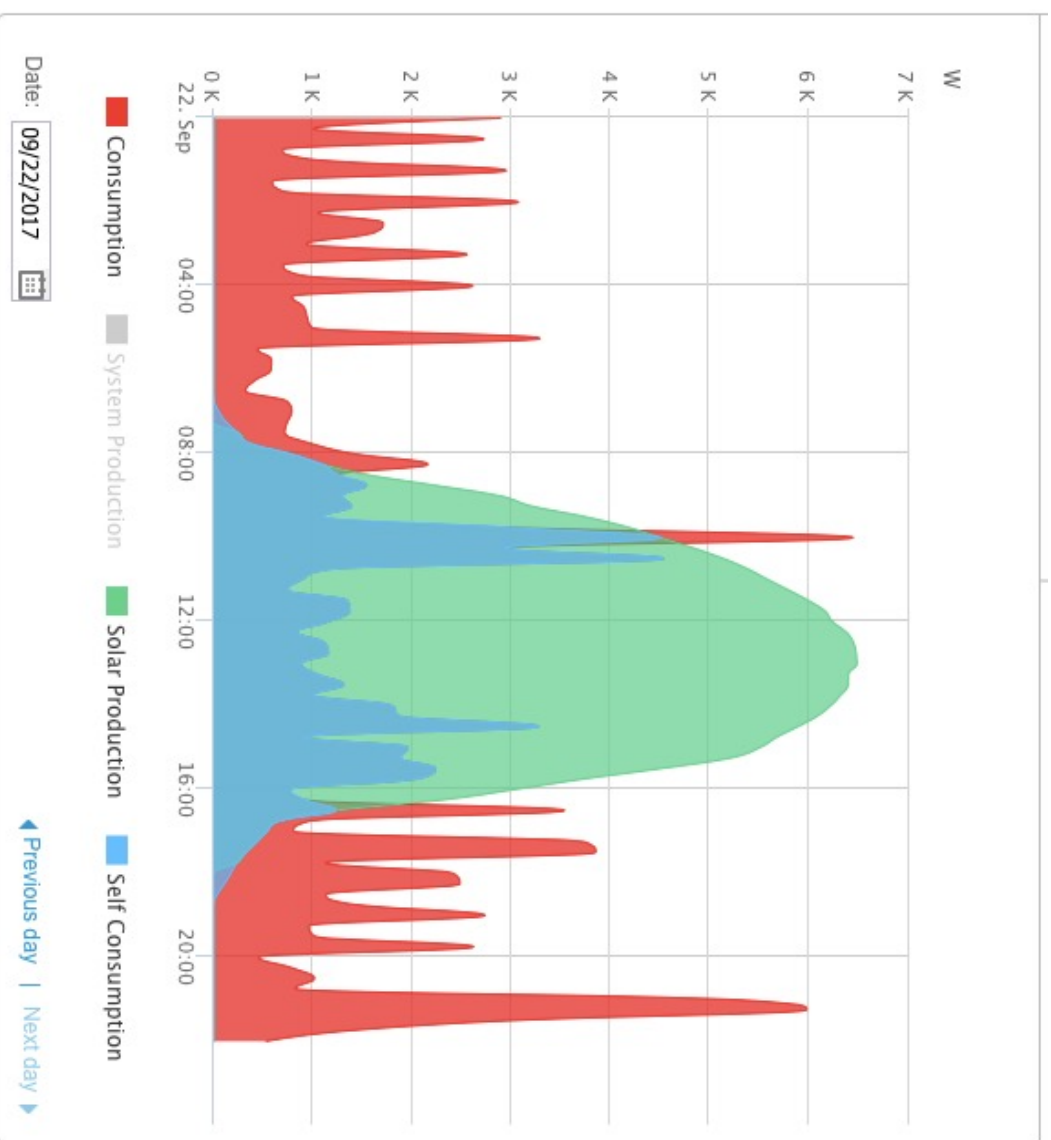


NET METERING

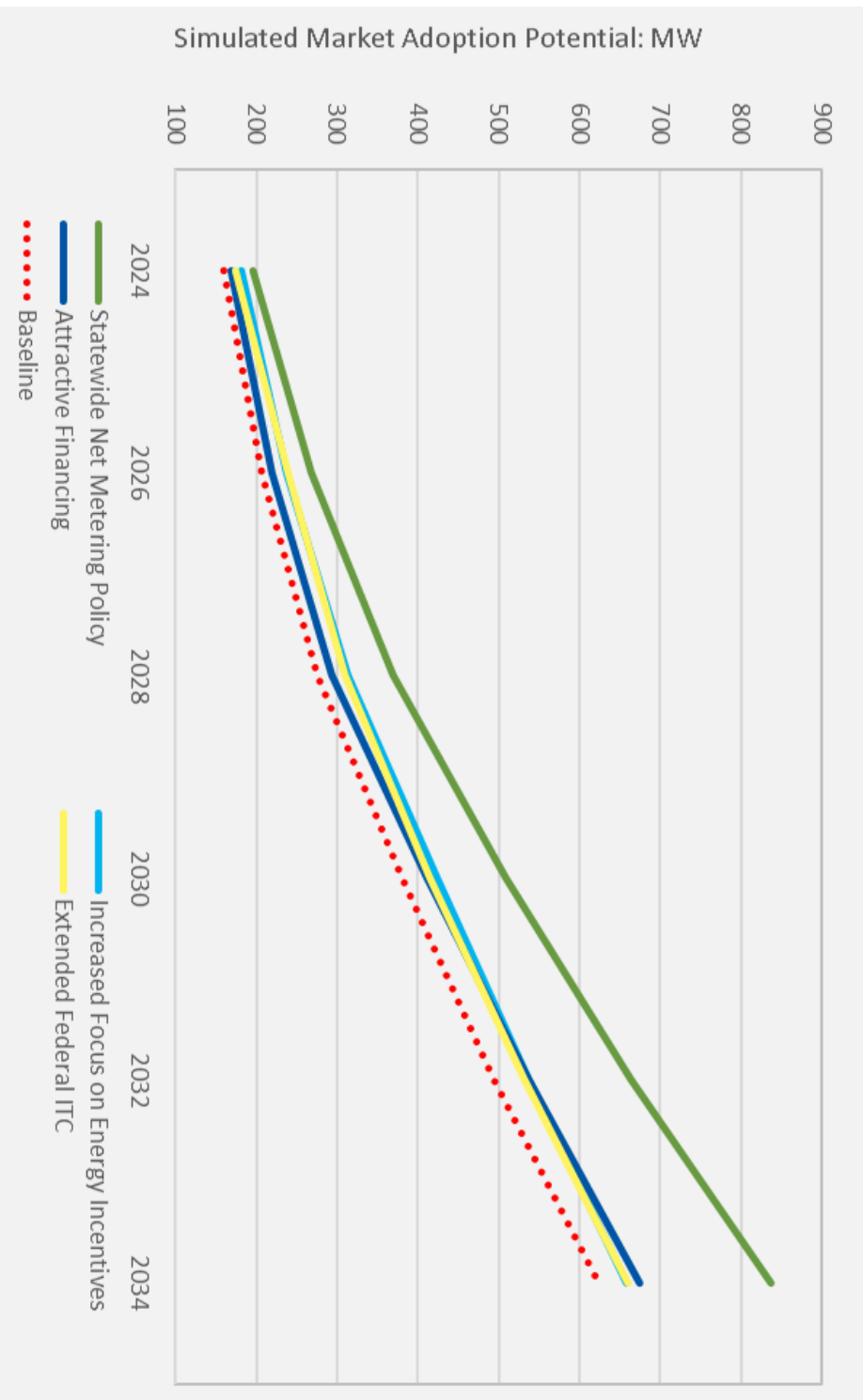
Green: Solar Production

Red: Electricity from Utility

Blue: Electricity from Solar



“THE MOST EFFICACIOUS STRATEGY FOR ACCELERATING THE ADOPTION OF ROOFTOP SOLAR SYSTEMS IS THROUGH IMPLEMENTATION OF A STATEWIDE NET METERING POLICY” CADMUS SOLAR ROOFTOP POTENTIAL STUDY 2021

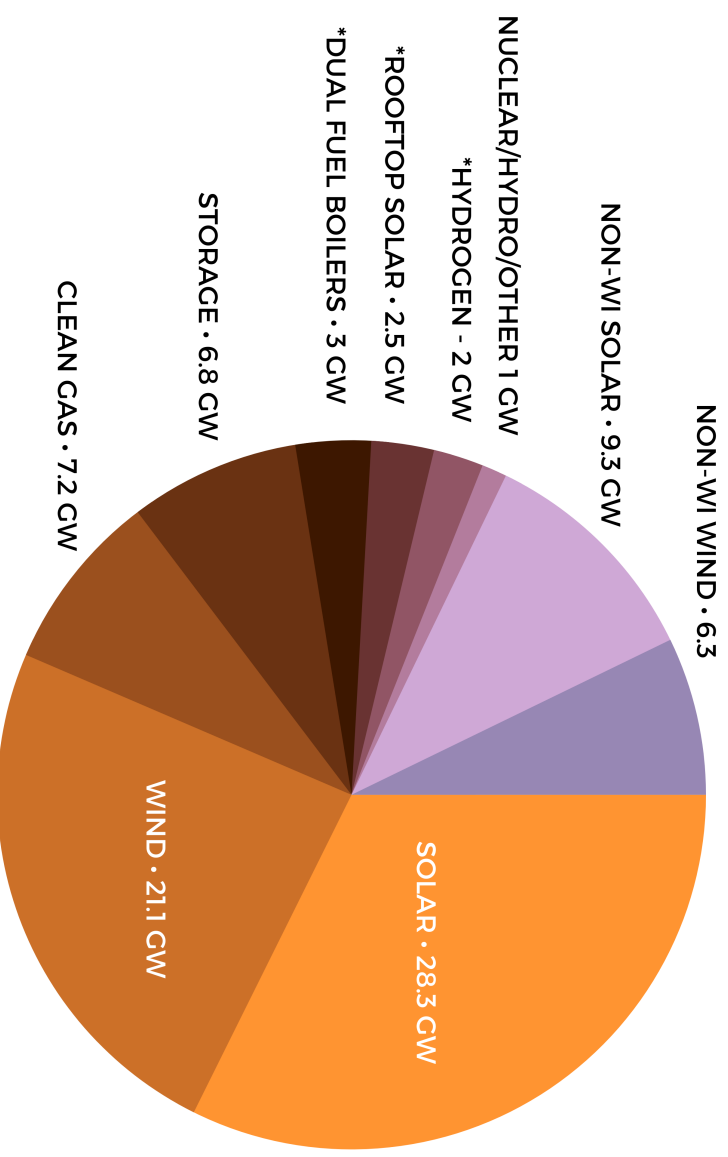


ROOFTOP SOLAR IS A KEY RESOURCE FOR WISCONSIN DECARBONIZATION GOALS

Roadmap to Net Zero

“ Create and implement consistent net metering tariffs across utilities that support the integration of customer-sited renewable resources. ”

www.renewwisconsin.org/netzerowi



Project Team: RENEW Wisconsin, Clean Wisconsin, GridLab, Evolved Energy Research, and Cambridge Econometrics.

100% RENEWABLE

Madison

**ACHIEVING 100% RENEWABLE ENERGY &
ZERO NET CARBON FOR CITY OPERATIONS
& LEADING THE COMMUNITY**



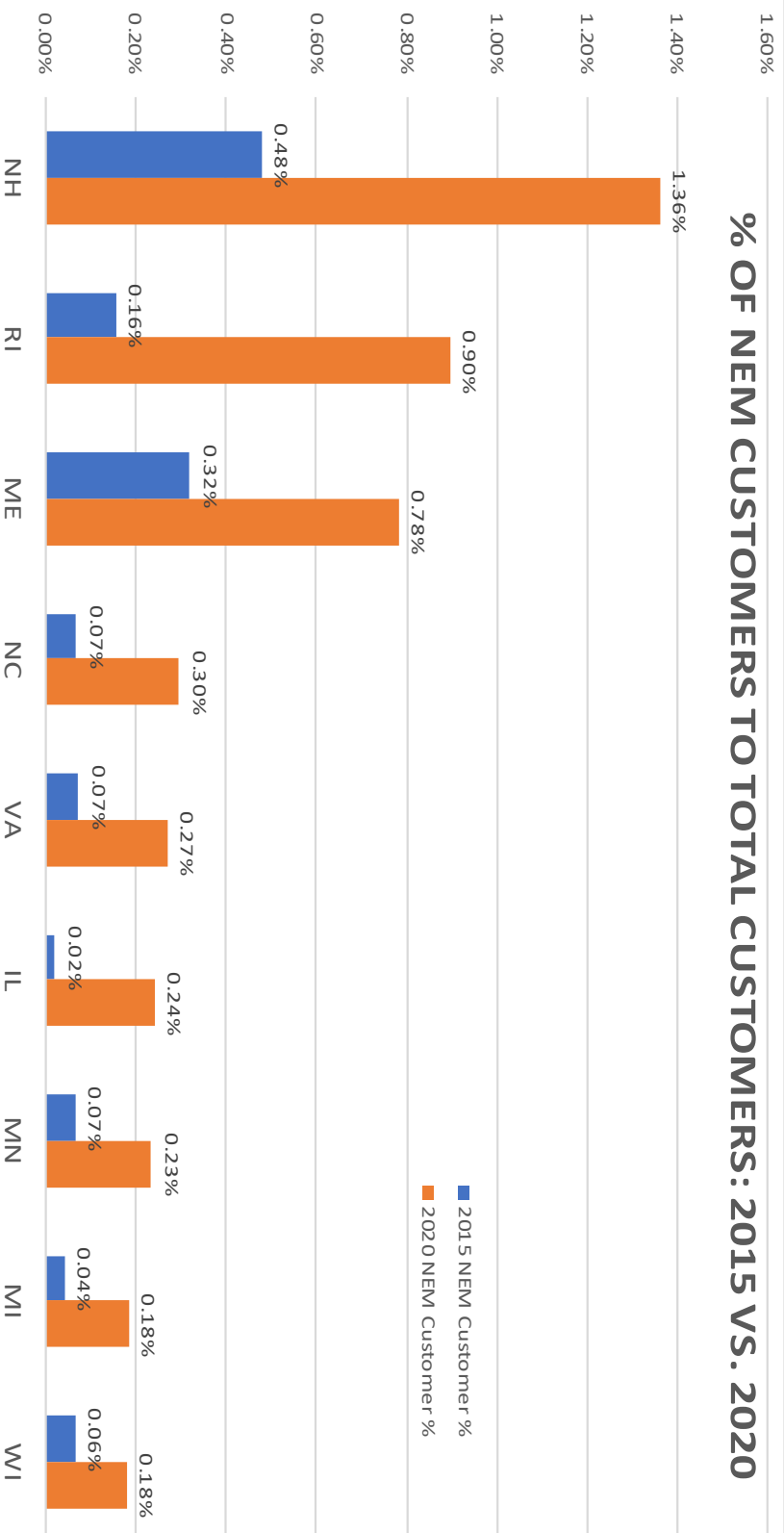
Impacts

Up to 10 City of Madison solar installations are subject to net metering rates today

MadisUN programs for homes, nonprofits, affordable housing, and commercial businesses at risk

Slower solar adoption will hamper community ability to green the grid

% OF NEM CUSTOMERS TO TOTAL CUSTOMERS: 2015 VS. 2020



Analysis of EIA data for net metered customers in 2015 and 2020.

During this period the ratio of Wisconsin's NEM customers to total customers grew the least (0.11%) when compared to eight similar states. The states selected for comparison represent the eight states closest to WI in total NEM capacity in 2015. In 2015 WI had 27 MW of NEM capacity. The MW capacity in 2015 for these states ranged from 21 (IL) to 40 (SC).

WI IOU NET METERING POLICIES VARY GREATLY

NAME, CAP SIZE, NETTING, AND EXCESS BUYBACK RATES

IOU	Tariff Name	Maximum Size (kW)
MGE	Pg-2	100 kW
NSPW	Pg-1	100 kW
WPSC	Pg-4	20 kW
WEPKO	CGS-NM	300 kW
WP&L	PgS-3	20 kW



EXCESS GENERATION PAYBACK RATES VARY FROM 3 TO 10 CENTS

Utility	Tariff Name	Methodology	Residential Customer Purchase Rate (\$/kWh Excess Generation)
WP&L	Pgs-3	LMP	\$0.0292
WEPCO	CGS-NM	LMP	\$0.04245
Northwestern Electric Power Company	Pgs-1	U-Factor	\$0.0597+
Superior Water, Light and Power Company	COGS-NM	Pre-determined (similar to U-Factor)	\$0.0606+
Wisconsin Rapids	Pgs-1	Avoided Cost (similar to U-Factor)	\$0.0627#
Sturgeon Bay Utilities	Pgs-1	Retail Rate	\$0.1060+



RISKS TO CLEAN ENERGY GOALS

Reduce value proposition of rooftop solar and risk whole solar market statewide

Put local clean energy jobs at risk

The City of Madison's Clean Energy Goals accelerate the transformation to Wisconsin powered by clean energy more difficult

Solar just becoming more accessible

These proposals would make it more expensive and complicated to go solar



MGE PROPOSAL – NET METERING PHASE OUT

- Grandfather clause: all current customers and those installed by 12/31/2024. Length of grandfathering TBD
- Increase per kwh charge by 7%
- Future solar systems will not be net metered. They will receive wholesale energy & capacity credits for excess generation (energy you push onto grid)

Today (with net metering)	Future (without net metering)
\$0.165	< \$0.075



NOTE: FUTURE NET METERING RATES UNDER THE MGE PROPOSAL ARE LIKELY TO FLUCTUATE. TRENDS INDICATE LOWERING FURTHER THAN \$0.075.



ALLIANT PROPOSAL - NET METERING REPLACEMENT

4-year Grandfather clause: all net metering interconnections before 2024 will be net metered for four more years

**Starting 2024 the new 'Power Partnership' tariff
Instantaneous netting; 2 credits and 1 charge for excess gen**



ALLIANT PROPOSAL

- Avoided Energy Cost Credit
- System Value Credit
 - Alliant earns Return on Equity for these payments
- Excess Distribution Charge

It will become harder and more complicated to determine whether solar is right for your home or business.

Solar customers also at risk to future changes to EACH of the above factors in the proposed system every few years.



EQUITY ISSUES

Rate hikes + reduced ability to manage energy bills with solar

Extended payback periods for solar investment will limit financing and access

Complicated rate structures make it harder to understand solar values and energy costs

Slowing solar adoption extends fossil fuel energy generation – resulting in higher air pollution burden and climate impacts which disproportionately impact vulnerable families



JOIN THE CONVERSATION

Utilities need to hear from you

Talk to friends and neighbors – tell them what you think

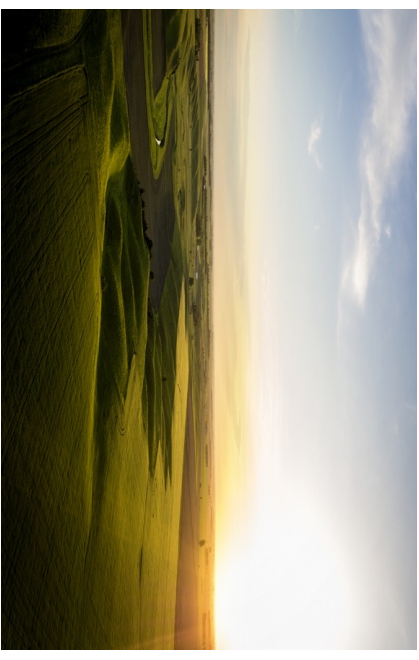
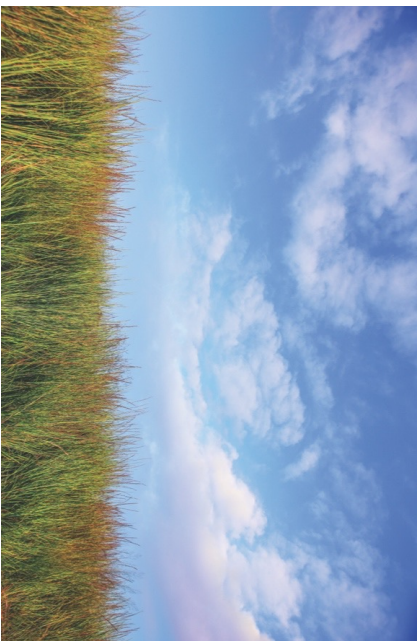
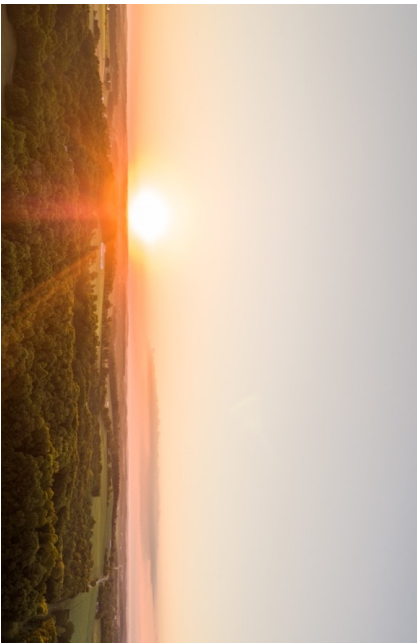
Join RENEW Wisconsin over the summer and fall

RENEW will share ways to take action and get involved in this critical decision making at the PSC



(sign up for newsletter at renewwisconsin.org)





NEW

MAY 22, 2023

