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Executive Secretary**

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IOWA UTILITIES BOARD

Docket NOI-2014-0001

Response to Order soliciting Additional Comments April 20, 2015

Friday, June 12, 2015

Preface

I have twice previously submitted comments, and I stand behind those previous responses, but, like most of us, I have learned more since my previous comments. For clarity, I repeat that my wife and I have a modern, well insulated home that is all electric (geothermal heating and cooling, induction cooking). For nearly four years, we have provided an average of about 60% of our electric energy from a 10 kW solar array connected to the Hawkeye REC grid under net metering. Our annual energy consumption is about 26 MWh.

1. The Board has offered the following proposed policy goal for comment:

To provide a regulatory framework that allows distributed generation to grow in an equitable manner that balances the interests of regulated utilities and all utility customers.

Comment on the advantages and disadvantages of the Board adopting such a policy goal.

This is the core issue, isn't it? It's a worthy goal and a necessary one. The devil is in the definition of "balance."

We need the utilities! It is neither possible nor desirable for every home and farm to go off-grid. But we also need renewable energy to make civilization sustainable and healthy as fossil fuels diminish and damage our climate, perhaps irreversibly. We also need distributed generation. The utilities have a long history of conservatism and, quite obviously, centralization. Neither is well suited to innovation. Centralization, in particular, slows innovation and blocks the possibility of testing alternative technologies and rapidly adopting the ones best suited. Centralized shifts to renewable energy would require massive capital, which ultimately comes from consumers. Distributed generation capital, in contrast, comes from broadly distributed individual "investors," and it no more burdens the non-investors than does installing the R—50 insulation in my ceilings, which reduces my heating and cooling electric energy use, burdens them. By eliminating or deferring the need for utility capital investment, we distributed generators save money for the other consumers.

Of course, we want the services of the utilities, and they need to make a profit on their distribution networks and backup load capacity. They don't need to make a profit on dirty, obsolete, and destructive investments. They do need a business model that incorporates distributed generation equitably.

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Equity cuts both ways. The distributed generation investor deserves a decent return on her investment, too. Net metering may not be perfect, but it's simple and it's transparent.

2. Would it constitute a "sale" if the Board were to determine that at the end of each year, unused kWh credits are to be diverted and used for a special cause?

I don't understand this issue.

3. Since the net-metering facility size cap and carry-over provisions were established through settlements between the investor-owned utilities and the Office of Consumer Advocate, a division of the Iowa Department of Justice, should any changes to those provisions be addressed via a rule-making docket, or through modification of the tariff provisions, or does the forum matter?

To prevent abuses and misunderstandings, those affected need the chance to express their concerns.

4. If the Board decides to change the cap for eligible net-metered facilities, one option would be to allow customers to net meter 110 percent of their average annual electricity consumption up to 1 MW or 2MW. Comment on the short-term and long-term financial impact such a change would have on non-DG customers and the utilities. Would this have an impact on grid reliability? Would it impact the way utilities do their resource and system planning? Identify any other concerns associated with this change.

There's something very unclear about the wording of this question. 1 or 2 MW is a rate of energy consumption. ??? That is not an annual energy consumption; in fact, it's power, not energy. Our residence uses 26 MWh (megawatt hours) per year of energy. That's less than the total energy consumption (gas + electricity + corn for a corn stove) in a nearby farmhouse of less than half the area.

If you mean something 110% of their energy consumption, ignoring the incomprehensible 1 MW of power limit, that would work for us, but it seems not to allow other kinds of very useful DG installations, say to serve a group of businesses that want to lighten their footprint on the environment and stabilize their energy expenses.

5. Propose options to address long-term net-metering options as discussed in Option 3 in the staff memorandum, such as exploring the issue in the context of a rate case. These options should identify the associated advantages and disadvantages and also allow for the growth of DG while balancing the interests of the regulated utilities and all utility customers.

I don't understand this question.

6. Propose options that could be implemented as net-metering pilot projects as discussed in Option 4 of the staff memorandum. Identify the advantages and disadvantages associated with each potential project. For each potential pilot project provide detailed elements including, but not limited to, the goal of the project, timelines, eligible participants, responsibilities of the utility and participants, potential impacts on non-DG customers, an explanation of how the proposal meets the

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specific needs of the utility, how each option would meet the objectives expressed in the draft policy goal, and possible results.

No comment.

7. Participants should indicate their preferences for addressing net metering going forward based on each of the options presented in the staff memorandum.

Participants should also explain the basis for their preferred options and address how their preferred approach achieves the draft policy goal.

I don't know how to obtain access to these documents.

Thanks for your diligent work on this thorny issue.

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