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**IOWA UTILITIES BOARD**  
**Policy Section**

Docket No.: TF-2016-0323  
Utility: MidAmerican Energy Company  
File Date/Due Date: August 31, 2016/  
September 29, 2016  
Memo Date: September 20, 2016

**TO:** The Board

**FROM:** Brenda Biddle  
Leslie Cleveland  
Barb Oswalt

**SUBJECT:** Recommendation to Docket Proposed Net Billing (Net Metering)  
Pilot Tariff for Further Review

**I. Background**

On July 19, 2016, the Utilities Board (Board) issued an order directing MidAmerican Energy Company (MidAmerican) and Interstate Power and Light Company (IPL) to file net metering pilot tariffs reflecting specific provisions contained in that order. On August 31, 2016, MidAmerican filed its compliance tariff (Rate PG Pilot – Net Billing of Private Generation Facilities Pilot) and revisions to other tariff sheets to include references to the net metering pilot. In addition, the revisions update terms and availability to correspond to the Rate PG Pilot tariff.

**II. Legal Standards**

Rule 199 IAC 15.11(5) states:

*Net metering.* Each utility shall offer to operate in parallel through net metering (with a single meter monitoring only the net amount of electricity sold or purchased) with an AEP facility, provided that the facility complies with any applicable standards established in accordance with these rules.

**III. Analysis**

The Board's July 19, 2016, Order directed IPL and MidAmerican to file new net-metering tariffs implementing temporary, yet specific, tariff changes that will be effective for a three-year study period. The provisions of the new tariffs were to:

1. Increase the net metering cap from 500 kW to 1 MW (up to 100 percent of a customer's load);
2. Allow all customer classes to net meter and to require that each customer's generation will only offset the energy (kWh) charges and, thus, will not offset the customer charge or demand charge; and
3. Provide for an annual cash-out of excess credits at the utility's tariffed avoided cost rate. The funds from the cash-out are to be divided evenly between the customer and the utility's customer assistance funds or the customer could opt to donate all of the excess credits to the utility's fund. The annual cash-out shall take place during the first billing cycle of the calendar year.

As of September 19, 2016, only one party (Luther College) has filed comments in this docket. Staff is in the process of reviewing MidAmerican's tariff filing and will be reviewing the filed comments; therefore, staff recommends the Board issue an order that docket the tariff to allow for a full review and analysis. Additionally, staff suggests the Board establish a formal comment period (30 days) and provide notice to participants in Docket No. NOI-2014-0001 that they may file written comments regarding MidAmerican's proposed Rate PG Pilot tariff through the Board's electronic filing system.

#### **IV. Recommendation**

Staff recommends that the Board sign the attached Order which docket the tariff for further investigation.

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