FTC DG Solar Conference
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Commissioner
Public Service Commission of Wisconsin
Net Metering in Wisconsin

• Federal Jurisdiction – Section 210 of the Public Utility Regulatory Policy Action and 18 C.F.R. Part 292
  • Directed FERC to establish regulations to encourage cogeneration and small power production
  • Purchases from Qualifying Facilities (QFs)

• State Jurisdiction
  • Exclusive jurisdiction in establishing retail rates
  • FERC gave states latitude in determining how avoided costs are to be calculated for the purposes of setting rates for purchases from QFs
  • In 1982, PSCW required that all electric utilities file tariffs providing net energy billing per PURPA (docket 5-ER-11) and in 1983 issued an order establishing the methods and standards for implementing PURPA in Wisconsin (dockets 5-ER-11, 12, and 13)
Net Metering in Wisconsin

• Approximately 19MW of DG net metered in Wisconsin (2015)
• Average annual growth rate of 22% per year since 2008
• Size Limits
  • Range from 20kW to 300kW
  • One utility limits net metering for systems that only meet the needs of the customer
• Netting Period
  • Annual Netting
    • “Rollover Plans”: any excess generated energy carries forward to offset future use
    • Any excess remaining at the end of the year credited at buyback rate
  • Monthly Netting
    • Generation balance does not carry forward each month
    • Customers receive monthly credit for excess at buyback rate
# Net Metering in Wisconsin

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<tr>
<th>Utility</th>
<th>Size Limit</th>
<th>Netting Period</th>
<th>Buyback</th>
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<td>Alliant Energy</td>
<td>20 kW</td>
<td>Monthly</td>
<td>Avoided Cost (LMP)</td>
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<tr>
<td>Madison Gas &amp; Electric</td>
<td>100 kW</td>
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<td>Avoided Cost (LMP)</td>
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<tr>
<td>Xcel Energy</td>
<td>100 kW</td>
<td>Annual</td>
<td>Avoided Cost (LMP)</td>
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<tr>
<td>We Energies</td>
<td>300 kW (limited to 100% of customer load)</td>
<td>Monthly</td>
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<tr>
<td>Wisconsin Public Service</td>
<td>20 kW</td>
<td>Monthly</td>
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</tr>
<tr>
<td>Municipal Utilities &amp; Small IOU’s</td>
<td>20 kW</td>
<td>Monthly</td>
<td>Retail</td>
</tr>
</tbody>
</table>

**Note:** The PSCW does not regulate Co-ops
Cross-Subsidization

• Wisconsin has been leader in addressing cross-subsidization
  • Comprehensive effort covering net metering and rate design
• All large Wisconsin IOU’s pay avoided cost for excess generation
  • PURPA sets the floor of compensation at avoided cost
• We continue to hone the definition of avoided cost
  • Transmission benefits
  • Capacity credits
  • Distribution benefits
• Innovative rate designs provide opportunity to more accurately assign benefits of DG
  • Unbundled Rates
  • TOU Rates
  • Demand metering for DG systems
Solar DG Competition

• Utility-offered community solar programs provide good alternative to customer-owned DG.

• Two basic program models in Wisconsin
  • Community Solar – upfront purchase
  • Shared Solar – “pay as you go”

• Both models offer competitive pricing compared to net metered DG

• Utility-offered programs allow all ratepayers to benefit from DG

• Utilities control siting to maximize benefits and minimize costs to the overall grid