



NC State University

North Carolina **Solar Center**

Solar ABC's – Quarterly Meeting #2 Time-of-Use, AMI, and Net Metering

Draft Report

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INTERSTATE RENEWABLE ENERGY COUNCIL



Key Findings

- ❑ State regulators should not permit AMI to be deployed by utilities without a good understanding of the region’s overarching goals
- ❑ The jurisdictions which are contemplating AMI are gathering policy input from all relevant stakeholders.
- ❑ Time-of-use pricing may eventually shift the “one-to-one retail-based” net metering payment to distributed generators to a wholesale-based rate—unless regulators retain the one-to-one retail ratio to achieve other policy objectives.
- ❑ Some states (CA, NJ) are beginning to offer optional alternatives to net metering such as long-term contracts with rates pre-set by technology type. Other states (CT) are offering time-specific net metering for certain renewables such as PV.
- ❑ AMI will likely permit utilities to easily identify the generation and T&D portions of the net metering credit.

AMI has the potential to enact enormous change in the way utilities operate and charge for services

AMI Technology is already available, economically justifiable and is being adopted by some states and utilities



Recommendations

- Require full deployment of AMI to all state electric customers, while preserving existing policy that benefits renewables and distributed generation technologies.

- Standardize AMI requirements and open system architecture for compatibility across a state and/or region

- Consider requiring utilities to offer a tariff, which offers small distributed generators long-term contracts for their power at market-based, time adjusted rates.

- Or, establish a standard per kWh incentive credit for small distributed generators based on technology type. This credit would be given in addition to the wholesale energy credit and would be applied evenly across a state until such time as the renewable technology type is self-sustaining.



Separate control of the meter data management system from the utilities

Give consumers ownership of their metering data, with the right to give access to third parties.



Opportunities

- AMI is a disruptive technology

- AMI will allow the next evolution of Net Metering Policy to develop

- AMI could eliminate the need for the UEDS

- AMI is the entre to the Smart Grid



A “disruptive technology” is one that gains market adoption by addressing an unfulfilled need despite being radically different from the prevailing technology



Threats

- AMI is a disruptive technology
- Slow Patchwork Deployment
- AMI may allow separation of the piece parts of the net metering
- AMI facilitates the communication of wholesale prices
- AMI enables DSM



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