

ACTION ALERT: MONTHLY SOLAR NETTING

Lawmakers need to ensure solar customers are credited on a monthly basis, not instantaneous, in 2022.



BACKGROUND

SEA 309 LOWERED NET METERING CREDIT

In 2017, Indiana passed a law eliminating net metering. The law (SEA 309) required the IURC to set a new, lower credit rate for the excess electricity sent back to the grid. This rate is substantially below the 1-to-1 credit net metering provides.

The new rate will be based on the average marginal price of electricity paid by the supplier during the most recent calendar year, plus a 25 percent premium for each individual investor-owned utility.

This new lower rate applies to existing solar owners and solar owners who install their systems after net metering is replaced in their utility's territory, no later than July 1, 2022. ***This rate was always intended to be calculated monthly.***

CURRENT PROBLEM

IURC NOW FURTHER PENALIZING SOLAR CUSTOMERS

In May 2020, CenterPoint became Indiana's first investor-owned utility to file a petition to end net metering. Not only does their proposal end net metering, it further reduces compensation customers can receive for the energy they produce by making changes to how these credits are calculated, based on the netting time period.

For systems installed after January 1, 2018, and before July 1, 2022, SEA 309 clearly called for monthly netting. CenterPoint's petition utilizes instantaneous netting, which is a much worse deal for customers and will more than double the time it takes for most solar customers to break even on their investment in energy freedom. Unfortunately, the IURC has accepted CenterPoint's petition.

CenterPoint was the first Indiana utility to file to end net metering with the IURC, and Indiana's four other investor-owned utilities have all started a similar process over the past several months. ***This will adversely impact the return on investment for any investor-owned utility customer who installed solar after January 1, 2018.***

WHAT NEEDS TO HAPPEN

GUARANTEE MONTHLY NETTING IN 2022 SO HOOSIERS CAN EMBRACE ENERGY FREEDOM

The Indiana General Assembly can solve this problem in 2022 by passing legislation clarifying netting should be done on a monthly basis as was intended in SEA 309 so Hoosiers who have installed or are planning to install solar can avoid financial harm and embrace energy freedom.