

Hundreds opposed changes to rooftop solar credits in Idaho: It was approved anyway

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Changes have arrived to rooftop solar in Idaho, whether its proponents like it or not.

Idaho Power, on the heels of gaining approval to raise its base electricity rates, got the [green light](#) from the Idaho Public Utilities Commission to overhaul its method of compensating households with rooftop [solar panels](#) for the [excess energy](#) they generate and send back to the grid.

The policy, called net metering, previously allowed customers to receive credits on their [utility bills](#) equivalent to retail electricity rates when they produced more energy than they needed. For every kilowatt hour of solar energy sent to the grid, the customer received a kilowatt-hour credit, helping offset the initial costs of installing a solar system and making it a more viable investment.

But the latest ruling, effective Monday, lowers that rate, known as the export credit rate, and replaces what is known as net monthly billing for real-time net billing, which Idaho Power says would better measure customers' reliance on the grid.

Solar systems installed before Dec. 20, 2019, are grandfathered in and not affected by the changes.

While the adjustments most commonly apply to rooftop solar, they affect other methods of on-site energy generation like windmills, geothermal and small hydro projects, a spokesperson for the company previously told the Idaho Statesman.

The move comes despite objections from homeowners with rooftop solar, environmental groups and businesses that sell and install solar equipment.

According to a final order posted Friday by the commission, the agency received 846 public comments on the case, with 49% opposing any change to the compensation structure and 46% opposing a switch from net monthly billing to real-time net billing, a core tenet of the application

Idaho Power first filed in May.

"The commissioners are saying the voices and expertise of thousands of Idahoans and [small businesses](#) are not as important as the voice of the state's largest monopoly utility," said Alex McKinley, co-owner of Empowered Solar in Boise, in a Tuesday news release from the Sierra Club.

McKinley, who has a master's degree in renewable energy, previously told the Statesman that the changes to net metering could discourage customers from investing in solar, making them more reliant on other forms of energy.

The new, lower payment amounts

Retail rates for homeowners were previously between 8 cents to 10 cents per [kilowatt hour](#), depending on the amount of energy used.

In the filing, Idaho Power looked to shift energy valuation to on-peak and off-peak times, with varying rates for each, but for an average annual rate of nearly 6 cents. It also proposed updating the rates each year.

On-peak would cover the summer months, from June 15 through Sept. 15, on Monday through Saturday from 3 to 11 p.m., excluding holidays, at a rate of 20.42 cents. The eight-hour window is when Idaho Power says it experiences its highest demand.

All other hours are defined as off-peak, at a rate of 4.91 cents.

The company and its stakeholders eventually settled on an average annual rate of 6.2 cents instead, according to Rodriguez, with on-peak times adjusted to June 1 through Sept. 30 at a rate of 17 cents and off-

peak at a rate of 8 cents.

If the company's proposal was approved as filed, the monthly bill for the average residential customer with rooftop solar would go up by about \$12, Idaho Power spokesperson Jordan Rodriguez previously told the Statesman. But because the rates the commission approved had been modified since the application, that amount has changed slightly. Rodriguez couldn't immediately answer by how much the change would now cost the typical homeowner with rooftop solar.

The overall reduction in compensation stems from the rising popularity of solar systems. Idaho Power argued that previous pricing overcompensated customers with solar at the expense of those without. About 12,000 customers, or 2% of the company's roughly 600,000 customer base, participate in on-site generation.

"We're trying to achieve a fair and accurate valuation of customers' exported [energy](#)," Rodriguez previously said by phone.

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