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Alternative energy getting new review 'Net metering' could increase use of renewable energy here

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A practice called net metering could encourage South Carolinians to use solar and other alternative energies that decrease foreign oil dependence and pollution, proponents say.

"It would be an opportunity to unleash the private sector more," said Carleton Owen, an Upstate Forever board member.

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But utility companies worry about safety, reliability and cost.

Net metering allows people who generate their own energy to sell excess electricity to utilities. South Carolina is one of 10 states where it's not allowed.

Advertisement "Instead of storing any surplus, you feed it back to your meter and the meter spins backward to offset your usage. That way you use the grid as storage, buying power off the grid when you're not producing," said Michael Wood, head of operations for Sunstor in Greer, which sells and installs solar systems.

The federal 2005 Energy Policy Act requires state regulators to consider it, and the state Public Service Commission is taking public comment through Feb. 1. A hearing date will be set this year, said Charles Terreni, commission director.

"Net metering makes a lot of sense. It's important to our national security to generate as much power as we can internally," said U.S. Rep. Bob Inglis.

"Solar, wind, biofuels and hydrogen all should be pursued. We are dependent on some of the world's most unstable regions for our way of life. Whatever it takes, we need to break out of this addiction to oil."

Duke Energy's main interest is that systems be installed in a safe manner and don't affect reliability, said Tim Petit, a Duke spokesman.

Duke, Progress Energy Carolinas Inc., South Carolina Electric and Gas Co., and two individuals have filed with the Public Service Commission as intervenors, according to commission records. That allows them to provide testimony and take part in proceedings.

Rates have been an issue in North Carolina, a net metering state, where some people generating their own electricity want their meters to just spin backward, "paying them the full rate," Petit said. "We don't believe that's appropriate."

Duke pays less than it charges them because the cost of electricity includes transmission, distribution, billing, customer service and other aspects of the business as well as power generation, Petit said.

Stephen Morrison of Mountain Rest has a solar-powered home and commercial woodworking shop and is one of the few private South Carolina citizens allowed to sell excess electricity back to his electric provider. Blue Ridge Electric Cooperative allows him to sell back on an experimental basis as a co-generating system rather than through net metering, he said.

Morrison's \$35,000 system consists of three solar panels on the ground, five roof-mounted panels and other equipment, including a sophisticated meter that allows billing at one rate for electricity he buys and credit at a lower rate for what he sells, like what Duke does in North Carolina.

Power generated by home and small business owners could help utilities meet the demand, Morrison said. His system produces peak power during summer days when utilities experience peak usage, so the power generated benefits them, he said.

South Carolina's electric cooperatives don't fall under the commission's review, but they are doing their own study as required by the federal policy, said Terry Ballenger, a Blue Ridge cooperative spokesman.

Metering equipment, revamping of billing systems and other changes to accommodate net metering would add to the cost of providing service, Ballenger said.

"The co-op's position is we aren't going to ask existing members who don't use net metering to subsidize those who do," Ballenger said. "If we have to jump through hoops to generate bills for those folks, they will have to bear the greater costs."

Cost "has not been prohibitive" in states that have used net metering for a few years, said Brad Collins, executive director of the American Solar Energy Society.

Simple solutions include digital meters that automatically calculate the transactions and can be purchased for about \$200, Collins said.

Various states have differing ways of handling net metering, said Sonny DuBose, renewable energy project coordinator with the South Carolina Energy Office.

"I don't see a cost for anybody when it's done right. Unlike crude oil resources, these renewable alternative energy sources have a long, long life," DuBose said.

DuBose believes net metering would further encourage growing interest in renewable energy sources, particularly solar, in South Carolina.

Nearly 100 homeowners using solar, including 40 in Greenville County and others across Pickens, Anderson and Oconee, are included on a limited list compiled by the South Carolina Energy Office. Commercial solar users include Furman and Clemson universities and Goodwill Industries in Greenville.

The solar has had its "ups and downs," related to oil prices and Middle East volatility, Wood said.

Currently there is renewed interest in new systems, particularly since a 30 percent federal tax credit and a 25 percent state tax credit became available, Wood said.

Steve Johnson of Clemson has a solar hot water heater and solar-powered attic fans he bought for about \$5,000, and he will get more than half of that back on his taxes.

He plans to install a full system in the next couple of years and wants the option of net metering so he won't have to buy batteries that cost more money and take up space.

"In the middle of the afternoon, I'll produce more electricity than I need, but at night I'll need power," Johnson said.