

October 11, 2018

Via email to pluckham@islandstrust.bc.ca

Peter Luckham
Chair, Islands Trust Council
200-1627 Fort St
Victoria, BC V8R 1H8

Dear Mr. Luckham,

RE: Net Metering Program

This is in response to your letter dated October 3, 2018 requesting additional “information about the principles and rationale for changing the solar net metering program”.

Since 2004, BC Hydro’s Net Metering program (“program”) has allowed customers the opportunity to generate electricity to offset part or all of their own annual load requirements on their premises with a clean or renewable resource. In the 2002 Energy Plan, the idea behind the development of the Net Metering program was to provide customers with the choice to self-generate allowing them to lower their environmental footprint and take responsibility for their own power production.

The Net Metering program allows customers to take advantage of the electricity generation they generate. The electricity customers generate, must first offset the needs of the building where the generating system is installed reducing purchased electricity from BC Hydro. The smart meter records both inflow (the BC Hydro grid usage) and outflow (excess generation) of electricity. Whenever the system generates more electricity than the building needs, the excess electricity is recorded by the smart meter. This excess generation is credited on the bill further reducing electricity purchases from BC Hydro. At the end of the year, on a customer’s anniversary date, BC Hydro pays out the remaining credits at a set rate, currently this is 9.99 cents per kW/hr.

Recently, BC Hydro has observed that the number of applications with oversized generating facilities has increased. Customer projects with oversized generating facilities that have an annual energy output that is well in excess of their annual load requirements provide a consistent supply of excess generation to BC Hydro that conflicts with the intent of the Program, which is to encourage and allow customers the opportunity to generate electricity only to offset part or all of their own load requirements with a clean or renewable resource. In addition, the excess energy cannot be relied upon as supply to other customers and often comes when there is little or no demand for the energy, i.e. during the daytime in the summer months.

On April 20, 2018, BC Hydro submitted an application to the BCUC to amend the program so it is not available to customers who are proposing an oversized generating facility. The BCUC accepted the interim amendment on June 1, 2018. This is an interim step while BC Hydro undertakes a review of the program and prepares a future filing with the BCUC for approval of further amendments to the program.

I encourage you to contact Joanne McKenna, Senior Manager, Distributed Generation at your convenience to organize a meeting to provide more information about the program and answer any specific questions you might have.

Regards,



Ted Olynyk,
Manager, Community Relations
Vancouver Island-Sunshine Coast

Cc: Islands Trust Area MLAs
Salish Sea Renewable Energy Cooperative
Island Trust Council
Bowen Island Municipality
Islands Trust website
Joanne McKenna, BC Hydro
Jerry Muir, BC Hydro