New River Light and Power's Proposed Solar Fee for Residents and Businesses Undermines Local Climate and Clean Energy Goals

For years, New River Light and Power customers have requested that the utility offer a fair "net metering" rate that properly credits customers for homegrown solar they generate for their own use. However, the utility has only offered a "forced sale" policy, which doesn't allow customers to use energy from their own solar panels to power their homes. Instead, customers are forced to sell all of their self-generated solar energy to the utility at lower wholesale rates — and then buy all their energy at higher retail rates from the utility.

In a new filing before the North Carolina Utilities Commission, New River signals that it may finally shift away from these unfair solar policies, but it also for the first time asked the commission to approve an additional "administrative" charge of \$8.25 per month (or \$99 per year) on customers' bills, with no justification for why it's needed. This proposal would make going solar even less cost-effective for local residents and businesses than NRLP's current offering already does.

How this affects local climate and clean energy goals:

Only 15 Boone residents and businesses had installed solar as of the beginning of 2022 due to New River's existing "forced sale" policy for solar customers – which compensates solar owners at around one-third the amount customers pay to buy electricity from the utility.

If New River's proposal is approved, customer investment in homegrown solar will be even less cost effective due to the new \$99 annual administrative charge. Compared to a traditional net metering rate, New River's forced sale policy already triples the payback period for customerowned solar from around 20 years to more than 60 years. The new charge would further increase the payback period to 150 years. By comparison, the average lifetime of a solar system is 20-25 years.

In 2021, the Town of Boone unanimously approved a resolution calling for community-wide climate neutrality by 2030 and 100 percent clean energy by 2040, while "encouraging residents to use renewable energy sources such as solar power." In other words, the Town Council recognized that homegrown, customer-owned solar is a critical part of achieving the town's climate goals. Yet New River's current and proposed rates serve as a significant barrier to achieving those goals, and prevent the town and county from reaping the jobs and tax benefits that a strong, local rooftop solar industry would provide.

New River Light and Power is owned and operated by Appalachian State University, an institution guided by North Carolina objectives and principles. The university's Climate Action Plan reflects the climate goals outlined in Governor Roy Cooper's Clean Energy Plan, including to "reduce electric power sector greenhouse gas emissions by 70% below 2005 levels by 2030" and "attain carbon neutrality by 2050."