



Energy Matters

“New” Electric Rates and Rocket Science

By Mark Becker, GoSimple Solar

Lately I’ve been answering inquiries about the PGE electric rate changes that were recently approved by the California Public Utility Commission (CPUC). Predictions are that the rate changes, when they go into effect in 2019, will ultimately impact more than 75% of California electricity subscribers. I’ll caveat that my opinion is based on the limited information published about the rate changes, and historical precedents set by previous PGE rate changes.

Calculations are that the rate changes will increase the cost of electricity for all but the highest tier users of electricity. The exact definition of “upper tier user” and “lower tier user” is not specifically defined. Currently, most PGE ratepayers are on a 4-tier billing method. Using more kilowatts will cost more per kilowatt. The utilities contended during CPUC rate change deliberations that upper tier users are “paying far more than their fair share” for electricity, and therefore are “subsidizing lower tier electric users” thus necessitating this rate change. The counter argument is that lower tier users will be penalized for being efficient. The CPUC’s and PGE’s retort to that argument is that lower tier electric costs are actually sold at a loss to the utility. The new tiers will have new pricing and there will only be two of them.

I dislike assumptions, but...I’m going to assume that the rate changes will generate more revenue, not less, for PGE. Indeed, the consensus from consumer advocacy groups is that the majority of ratepayers will face higher electric bills. No surprise there. With a dearth of information from PGE, I’m going to go out on a limb and apply logic and historical precedent to try to answer the very obvious question posed to me by current and prospective solar customers: “How will these rate changes affect my investment in solar PV now and in the future?”

If you are a solar PV system owner now, California law protects your net metering rights until July 17, 2037. If you go solar after July 17, 2017, there will be new regulations for solar PV interaction with the grid. Also, if you’re a solar customer now or before July 17, 2017, if historical precedent is a guide, you’ll stay “grandfathered” into your current electric rate, and not be subject to these new rates unless you move or voluntarily switch rates.

If you go solar after the rate changes take effect, increased return on investment will occur for smaller solar PV projects because the lowest cost power will get more expensive with the new rates. A slightly lower return than current return on the solar investment may result for higher tier users because the highest tier cost may be lower than it is currently.

On a much closer horizon and of greater concern for prospective solar customers is the phase out of the 30% Federal Tax credit for solar PV. If you’re considering solar PV, consider it with much closer scrutiny while your solar contractor simply has the time to do the work before the expiration date. Next year will be banner business year for solar PV contractors. Choose your contractor sooner than later; your “first choice” contractor may not be available and you may have to settle for your second or third choice. The principles of Economics 101 state that once demand goes up, price often follows.

From a utility grid management standpoint: Ultimately, PGE risks putting more stress on the already tenuous utility grid unless they continue to incentivize solar PV by offering Time of Use rates. Essentially, commercial and residential solar PV systems are PGE subcontracted power plants. They help relieve the afternoon load when the grid is stressed. The relationship between solar PV and PGE has become one of mutual reliance. Power generation is shifting away from traditional power plants (by law, towards renewables) but power transport via the grid will remain with PGE. PGE must manage the demand of the grid and balance it with the advantages and mandates of California law. By 2030, the law says 50% of the grid must be powered by renewable or alternative energy sources.

When considering solar, remember this: The lowest long-term cost of energy is determined by long-term reliability of products and workmanship. This is the beauty of installing the finest products, with the most highly qualified installation team. Virtually the only time we hear from customers is when they want to refer us.

Energy independence the safe, secure, and reliable way.

Mark Becker is the President and business owner of GoSimpleSolar, by Semper Fidelis Construction Inc, CSLB 948715. GoSimpleSolar is one of the very few (and proud) solar PV installers utilizing both licensed roofers and licensed electricians for installation work, project managed by a solar PV NAB-CEP professional. For questions or comments email Mark@GoSimpleSolar.com or call 925-331-801.

Advertorial

GREAT SERVICE. EVEN BETTER VALUE.

CONVENIENT SHUTTLE SERVICE TO HOME, THE OFFICE, BART AND BACK.

FACTORY SCHEDULED MAINTENANCE

Improve mileage and extend the life of your vehicle - follow recommended service schedules

10% OFF
REGULAR PRICES

LUBE, OIL & FILTER

- Multi-Point Performance Inspection
- Drain and Replace All Engine Oil
- Install Genuine Factory Oil Filter

\$29.95
+TAX
Synthetic oil extra.

DIAGNOSIS/CHECK ENGINE LIGHT INSPECTION

Let our trained experts perform an initial inspection and diagnosis. We'll also provide you with the exact cost to perform the repair. No obligation, nothing to buy.

FREE

For Acura, Honda, Lexus, and Toyota vehicles only. Valid only at THE SERVICE OUTLET on the day of service. Please present coupon when service order is written. Not valid in conjunction with other coupons, offers or discounts. Synthetic oil extra.



SINCE 1993

LAFAYETTE
3360 Mt. Diablo Blvd.
925.283.3133

SAN RAMON
2151 San Ramon Valley Blvd.
925.837.3000

THESERVICEOUTLET.COM



Ready, Set, Toss

By Monica Chappell

Summer whites to serve with summer salads

These wines are crisp and refreshing on the plate and in the glass.

It’s that time of year again, the salad days of summer, when the best way to beat the heat is with a cool, crisp salad. When it comes to wine pairing, salads can be tricky: a salad that’s dressed with something tart can knock out the flavor of the wine you’re trying to enjoy.

These dry white wines are refreshing, affordable, and pair well with the lighter food we crave during hot weather. Here are a few ideas for something summery to sip alongside.

Green Salad

For a crisp, green salad with a vinaigrette dressing, you can’t beat Sauvignon Blanc, but if there are weightier ingredients in the salad, as in a Greek salad, for example, go for slightly weightier Pinot Gris/ Pinot Grigio. For heavier green salads, with a creamy dressing like a grilled chicken caesar or niçoise—try a crisper style Chardonnay.

Pasta Salad

A pasta salad lacks the crisp crunch of a green salad, but it is still relatively light because it’s cold and refreshing. Toppings from pesto pasta to a Mediterranean-style pasta to pasta salad with shrimp can be all over the map, so pick a middle-of-the-road white wine that’ll go with all kinds of ingredients – look for a clean, crisp Italian Pinot Grigio.

Fruit Salad

Adding summer fruits to your salad? Whether it’s spinach with chicken and strawberries or melon, arugula, and Serrano ham, you’ll need some sweetness in your wine to account for the sweetness in the food. Try something off-dry like White Riesling or Gewurztraminer. How about a simply delicious summer fruit salad for dessert? Pair it with a similarly sweet, fruity, and refreshing dessert wine like Moscato d’Asti, Muscat or an Ice Wine.

Monica Chappell teaches wine appreciation classes in Lafayette. For a class schedule visit www.backtothetablecookingsschool.com.