**Graciela Etchart** 10/14/99

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Re: Electric rule-making - net metering rule



jfreundlich@sw.wednet.edu (Jay Freundlich) on 10/13/99 06:50:59 PM

Please respond to jfreundlich@sw.wednet.edu (Jay Freundlich)

To:

Graciela Etchart/WUTC@WUTC

CC:

LeaK@co.island.wa.us, miknel@seanet.com, kelstar@nwrain.com

Subject: Re: Electric rule-making - net metering rule

Graciela Etchart Washington Utilities & Transportation Commission 1300 S. Evergreen Park Dr. SW Olympia, WA 98504-7250

Dear Ms. Etchart,

Thank you for the invitation to comment on the net metering issues for your upcoming meeting. I am a private citizen who is also a representative of a community of 7 households who are committed to sustainable energy production. Approximately 2 years ago our community requested a connection with Puget Sound Energy to provide back-up power for our current and future solar generating systems. We were very excited to see the passage of the net-metering law for the State of Washington and hopeful that we could work with our power company to develop a working and mutually beneficial relationship. Soon after installing my solar system (the second in our community) during a November 1998 workshop, under the direction of Mike Nelson, WSU extension agent, I contacted PSE to set up our net metering. Since that time I have been working with Shannon McCormick of PSE trying to come to a mutual understanding on the agreements regarding the connection. Shannon has been very helpful and understanding as the liaison between myself and the various departments at PSE. This is where PSE's cooperation seems to begin and end. I hope that your meeting will help make the agreement with PSE workable for both the customer and the utility.

My focus at this time is a unrealistic requirement that net metering customers either (a) list the utility as an "additional insured" on their insurance policies; or (b) include in the insurance policy a waiver of the insurer s rights of subrogation against PSE. This language is contained in Section 13.5 of the interconnection agreement. I have contacted my agent, Tom Brown, and another agent who has helped me previously in working with PSE and requested the above be added to my policy or written into a new policy. Both agents advised that in most cases this would not be possible and in any case we would very likely be viewed as a risk and lose the policy upon renewal. Without hope of resigning with that company. In recounting a conversation between one agent and a PSE insurance staff member, the agent stated that the PSE employee acknowledged that what he (the PSE staff member) was requiring was not possible in the current insurance market.

It seems to me that a good net-metering agreement can create an environment where both the utility and the customer can benefit. This could be the beginning of a more diverse and sustainable electric generation system for the utility and their customers and a good use of resources for smaller solar generation systems needing to store electric energy.

Please inform me of the outcome of your meeting.

Jay Freundlich 360-321-5045

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