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Programs Let Homes Produce Green Power

By THE ASSOCIATED PRESS

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HYDE PARK, N.Y. (AP) -- When the sun shines bright on their home in New York's Hudson Valley, John and Anna Bagnall live out a homeowner's fantasy. Their electricity meter runs backward.

Solar panels on their barn roof can often provide enough for all their electricity needs. Sometimes -- and this is the best part -- their solar setup actually pushes power back into the system. The Bagnalls "net meter," a state-sanctioned setup that allows homeowners to adopt renewable energy without taking the more radical step of disconnecting from their local electric utility, [Central Hudson Gas & Electric](#).

Net metering essentially allows people to become mini-power producers. Programs vary state to state, but they are typically coupled with financial incentives that make it easier to invest thousands of dollars for photovoltaic panels, windmills or fuel cells. Since sun and wind are intermittent, customers still rely on the grid for steady service. The meter runs backward when more energy is produced than a customer consumes.

"When they first put this in, it ran backward more than forward," said John Bagnall, standing by a meter on a winter morning. "Even with a hazy sun ... we're producing electricity."

Advocates see net metering as an environmental twofer: it promotes green energy and reduces the strain on the power grid. But the number of people investing in solar panels or wind turbines has been relatively small so far, despite the selling point of being able to turn the table on electric utilities.

Federal legislation requires states to consider adopting net metering standards by 2008, though programs are already in place in more than 40 states, according to the Interstate Renewable Energy Council. California is king when it comes to net metering, accounting for 86 percent of the 15,200 customers tallied nationwide in 2004 by the Network for New Energy Choices, a New York City-based renewable energy advocacy group.

While only a tiny sliver of eligible customers net meter nationwide, the number of participants has picked up quickly in the last few years, said Chris Cooper, the network's executive director. He expects the trend to continue.

"Sun and wind, which used to be the purview of the crunchy, green left, are now pretty much mainstream," Cooper said.

Still, Cooper complained that burdensome paperwork, Byzantine rules and caps on the amount of renewable power any single customer can produce discourages participation in too many states. Also, many people don't even know programs exist since neither government nor industry is making a big advertising push.

The Edison Electric Institute, which represents utilities nationwide, does not oppose net metering but noted that in many states, excess energy is sold back to utilities at retail rates, not wholesale. That amounts to a subsidy for net meterers, utilities claim.

"There should not be cost shifting," said Steve Rosenstock, manager of energy solutions for the industry group. Rosenstock said a possible solution would be "smart meters," which can keep track of wholesale costs of electricity.

But the biggest obstacle for most would-be net meterers is the startup cost.

Prices vary depending on how big a system is installed, but prices in the \$8,000 range are common. New York offers rebates based on wattage that shave thousands off the costs and there are tax credits from the state and the federal government, according to John Wright of Hudson Valley Clean Energy, which installs the systems.

Wright said systems can provide 80 to 90 percent of a home's electricity, so they are able to pay for themselves usually in 10 to 12 years.

John Bagnall, a retired anesthesiologist, said he spent about \$40,000 after rebates for a 15 kilowatt system. But in nearby Rhinebeck, Michael Trimble and his wife spent about \$14,000 for a 3 kilowatt system, which is enough to power their guest house. At the end of one year, Trimble's local utility calculated that he produced more power than he consumed, so they wrote him a check for \$23.

Trimble plans to frame it.

While participants talk about the joy of meter watching -- "On sunny days, if I want a thrill, I walk outside and watch my meter run backward," said Judith Karpova of Kerhonkson, N.Y. -- it's about more than money for most participants.

"It's philosophical," Anna Bagnall said. Her husband explains that he didn't believe the Bush administration was prepared to tackle energy independence, so the burden falls on individuals. The Bagnalls and Karpova each invested in geothermal heating too. And the Bagnalls bought a used Prius.

In New York, advocates plan to make a push this year to expand net metering to businesses, as is allowed in New Jersey, California, Colorado and many other states.

Larisa Romanowski of the Environmental Advocates of New York said adding the large commercial customers will relieve the strain on New York's power grid, which is particularly congested in the New York City area.

"All these big energy-hog businesses that have these huge unshaded flat roofs that are perfect for PV (photovoltaic) systems cannot net meter right now under the net metering law for New York state, which is horrible," Wright said.

The push for expansion in New York has barely begun, but Cooper believes governments and utilities nationwide will warm up to net metering as the power grid ages and the demand for power increases.

"The regulated utilities will eventually come to the conclusion that they need the help of customer generators," Cooper said. "That realization will come the easy way or the hard way."

On the Net

<http://www.powernaturally.org/Programs/Solar/incentives.asp>

<http://www.eere.energy.gov/greenpower/resources/maps/netmetering-map.shtml>

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