



Cheq Bay Renewables

Bayfield Electric Cooperative Board:

March 19, 2020

Recent changes to Bayfield Electric Cooperative's net metering policy has disappointed many of your members. I would like to open a discussion regarding this policy change and see if a more equitable solution could be found. I would like to work with the BEC Board to find a solution where everyone wins. This should not be hard to do, and should be based on economics.

I believe I understand the intent of the Board's decision, that is to eliminate non-solar members subsidizing solar installations. I believe that the change, however, has gone too far, and now, the members that own solar PV installations will be subsidizing the non-solar members. I would hope a compromise could be found where no member is affected by the other.

In the new policy, as relayed to us by Jake Hipsher, BEC would buy all excess solar generation at Dairyland Power Cooperative's avoided cost, currently at 2.9 cents per kWh. This electricity would be replacing electricity that would otherwise be purchased from Dairyland at a much higher price. In effect, the solar generation is subsidizing the non-solar member and BEC is profiting from that exchange.

This new policy is benefiting a group of members at the expense of another group of members. It is no better than the old policy. It is not consistent with BEC's mission, that is, to have low-cost and reliable electricity for all its members.

Can we set up a time to discuss a better solution? Please contact me soon.

Thank you,

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