

Green Pricing and Net Metering Programs 2003

Green pricing/marketing programs allow electricity customers to pay the additional costs for renewable energy through direct payments on their monthly bills. The Energy Information Administration (EIA) first collected information on green pricing on the Form EIA-861, "Annual Electric Power Industry Report," which is a survey of electric industry participants including: electric utilities, wholesale power marketers, energy service providers, and electric power producers. All respondents, except independent power producers and qualifying facilities, were asked to report the number of their customers in green pricing programs by state and customer class.

Net metering provisions vary by state and utility, but usually apply only to very small generators that typically use solar or wind energy. This system usually permits a customer operating a small generator to purchase extra electricity when needed. Also, any excess power at the end of the month can be sold back to the utility. Pricing schemes vary by individual utility and customer circumstances. This system facilitates the ease of operating intermittent generators such as those using solar and wind energy and improves their economics. The EIA first collected information on net metering on the Form EIA-861 in much the same manner as it did green pricing.

In 2003, the number of electric industry participants reporting customers in green pricing programs was 308, up 45 percent from 2002 (Table 1). The number of customers

Table 1. Estimated U.S. Green Pricing Customers by Customer Class, 2002-2003

Year	Electric Industry Participants	Participating Customers		
		Customer Class		Total
		Residential	Non-residential	
2002 ^R	212	688,069	23,481	711,550
2003 ^P	308	819,579	57,547	877,126

P=Preliminary
R=Revised

Note: Electric industry participants include the following respondent types: federal, state, municipal, investor-owned, and cooperative utilities; municipal marketing authorities; and power marketers (or energy service providers). Non-residential may include some customers for which no customer class is specified. Totals may not equal the sum of the components due to independent rounding.

Source: Energy Information Administration, Form EIA-861, "Annual Electric Power Industry Report."

in green pricing programs dwarfed those in net metering and increased 23 percent from 711,550 nationwide in 2002 to 877,126 in 2003. Residential customers accounted for about 93 percent of the total in 2003. However, this was down from residential's 97 percent share in 2002.

Electric industry participants reported having green pricing customers in forty states, including six states that were reported for the first time in 2003 (Table 3). Ohio led the United States in total number of green pricing customers with 428,849 customers and accounted for nearly 44 percent of the annual increase. Pennsylvania, Texas, California and Colorado followed next in order of importance.

In 2003, the number of electric industry participants reporting customers in net metering programs was up to 127 from just 96 one year earlier (Table 2). The number of customers in net metering during 2003 was 6,813 and represented a 52 percent increase from 2002. Residential customers accounted for 86 percent of the customers in the program. Electric industry participants reported having net metering customers in thirty-nine states, including four states that were reported for the first time (Table 4). California dominated with 77 percent of the national total.

Table 2. Estimated U.S. Net Metering Customers by Customer Class, 2002-2003

Year	Electric Industry Participants	Participating Customers		
		Customer Class		Total
		Residential	Non-residential	
2002 ^R	96	3,559	913	4,472
2003 ^P	127	5,870	943	6,813

P=Preliminary
R=Revised

Note: Electric industry participants include the following respondent types: federal, state, municipal, investor-owned, and cooperative utilities; municipal marketing authorities; and power marketers (or energy service providers). Non-residential may include some customers for which no customer class is specified. Totals may not equal the sum of the components due to independent rounding.

Source: Energy Information Administration, Form EIA-861, "Annual Electric Power Industry Report."

Additional information concerning green pricing and net metering is available on U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy websites. For green pricing and net metering, see <http://www.eere.energy.gov/greenpower/index.shtml> (October 20, 2004).

Table 3. Estimated U.S. Green Pricing Customers by State and Customer Class, 2002 and 2003

State	Electric Industry Participants 2003 ^P	Participating Customers			
		2003 ^P			2002
		Residential	Non-residential	Total	Total
Alabama.....					
Alaska.....					
Arizona.....	2	5,838	96	5,934	4,039
Arkansas.....					
California.....	8	60,626	1,653	62,279	55,631
Colorado.....	18	43,418	776	44,194	39,191
Connecticut.....					1,056
Delaware.....					8
District of Columbia.....	2	4,612	212	4,824	1,686
Florida.....	1	206	12	218	146
Georgia.....	11	3,881	14	3,895	418
Hawaii.....	3	3,551	28	3,579	3,040
Idaho.....	4	2,437	71	2,508	2,090
Illinois.....	1	8		8	8
Indiana.....	9	1,075	16	1,091	708
Iowa.....	30	5,756	29	5,785	4,403
Kansas.....					
Kentucky.....	5	115	3	118	6
Louisiana.....					
Maine.....	1		5	5	47
Maryland.....	2	14,205	151	14,356	2,553
Massachusetts.....	1		1	1	
Michigan.....	6	1,285	61	1,346	1,189
Minnesota.....	76	19,805	450	20,255	7,922
Mississippi.....	1	7		7	
Missouri.....	4	261		261	136
Montana.....	4	48	1	49	241
Nebraska.....	4	4,086	85	4,171	4,809
Nevada.....	1	284	1	285	241
New Hampshire.....					
New Jersey.....	1	1,731	85	1,816	2,226
New Mexico.....	5	5,610	164	5,774	629
New York.....	2	133	1	134	
North Carolina.....	9	3,747	166	3,913	
North Dakota.....	9	1,771	21	1,792	670
Ohio.....	1	387,938	40,911	428,849	356,309
Oklahoma.....	1	6,712	46	6,758	
Oregon.....	12	37,173	4,966	42,139	35,674
Pennsylvania.....	3	74,583	93	74,676	92,722
Rhode Island.....					
South Carolina.....	4	1,506	219	1,725	1,152
South Dakota.....	12	613	11	624	^R 513
Tennessee.....	1		1	1	
Texas.....	4	65,618	2,993	68,611	47,638
Utah.....	1	12,264	3,216	15,480	8,924
Vermont.....					
Virginia.....	2	4,624	15	4,639	2,394
Washington.....	18	16,406	452	16,858	11,003
West Virginia.....					
Wisconsin.....	50	26,158	437	26,595	20,913
Wyoming.....	5	1,488	85	1,573	1,215
Total.....	308	819,579	57,547	877,126	^R 711,550

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Note: Electric industry participants include the following respondent types: federal, state, municipal, investor-owned, and cooperative utilities; municipal marketing authorities; and power marketers (or energy service providers). Non-residential may include some customers for which no customer class is specified. Blank cells indicate no data was reported for the state or the number of customers in a class was zero. Totals may not equal the sum of the components due to independent rounding.

Source: Energy Information Administration, Form EIA-861, "Annual Electric Power Industry Report."

Table 4. Estimated Net Metering Customers by State and Customer Class, 2002 and 2003

State	Electric Industry Participants 2003 ^P	Participating Customers			
		2003 ^P			2002
		Residential	Non-residential	Total	Total
Alabama.....					
Alaska.....	2	1	1	2	
Arizona.....	2	29	301	330	320
Arkansas.....					
California.....	14	4,869	373	5,242	3,016
Colorado.....	9	128	35	163	149
Connecticut.....	2	20	8	28	25
Delaware.....	1	7	3	10	11
District of Columbia.....					
Florida.....	2	7	3	10	9
Georgia.....	1	1		1	
Hawaii.....	3	28	3	31	14
Idaho.....	3	15	3	18	11
Illinois.....	1		1	1	12
Indiana.....	1	3		3	3
Iowa.....	1	2		2	2
Kansas.....	2	2	3	5	4
Kentucky.....	2		14	14	1
Louisiana.....					
Maine.....					
Maryland.....	2	5		5	6
Massachusetts.....	3	90	1	91	85
Michigan.....	1	2	1	3	4
Minnesota.....	17	129	11	140	97
Mississippi.....					
Missouri.....	2	1	1	2	2
Montana.....	2	3		3	3
Nebraska.....					11
Nevada.....	2	54	2	56	39
New Hampshire.....	3	48	25	73	69
New Jersey.....					
New Mexico.....	3	9	1	10	8
New York.....	1	43	3	46	22
North Carolina.....					
North Dakota.....	2	1	1	2	5
Ohio.....	4	5	6	11	5
Oklahoma.....	2	1	35	36	36
Oregon.....	6	23	14	37	22
Pennsylvania.....	2	42	18	60	35
Rhode Island.....	2	12	4	16	5
South Carolina.....					^R 0
South Dakota.....					^R 0
Tennessee.....					
Texas.....	4	7	6	13	197
Utah.....	1		1	1	
Vermont.....	2	46	6	52	43
Virginia.....	6	12	0	12	5
Washington.....	10	44	4	48	34
West Virginia.....	2	1	1	2	
Wisconsin.....	6	178	54	232	161
Wyoming.....	2	2		2	1
Total.....	127	5,870	943	6,813	^R 4,472

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Note: Electric industry participants include the following respondent types: federal, state, municipal, investor-owned, and cooperative utilities; municipal marketing authorities; and power marketers (or energy service providers). Non-residential may include some customers for which no customer class is specified. Blank cells indicate no data was reported for the state or the number of customers in a class was zero. Totals may not equal the sum of the components due to independent rounding.

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