

Suit alleges NV Energy deceived customers on solar panels

By Michelle Rindels, AP

CARSON CITY – Nevada residents with rooftop solar panels are suing NV Energy, saying the company used incentives to lure them into investing tens of thousands of dollars before conspiring with regulators to raise rates and render their systems less valuable.

Las Vegas solar panel owners John Bamforth and Stanley Schone filed a complaint in Clark County on Jan. 12, alleging the company manipulated regulators into approving higher prices that took effect Jan. 1. They're seeking class-action status to represent other solar panel owners.

The suit argues NV Energy "acted illegally to reduce said incentives, rebates, and/or credits," and said the plaintiffs "would never have agreed to invest in, purchase, and install a solar photovoltaic system had (they) known the defendants would act in an anticompetitive manner to restrain trade."

An NV Energy spokeswoman said the company does not comment on litigation.

Nevada lawmakers passed a bill last spring asking energy regulators create new rates for metering, which is the process of solar panel owners selling excess power back to NV Energy. Regulators approved new rates in December that they say phase out a subsidy traditional customers pay to cover about 17,000 solar customers, and better reflect the declining cost of wholesale solar energy.

The plaintiffs allege the structure, which will raise base

rates over five years and reduce the amount the utility pays to buy energy back from panels, will make it much harder to pay back their solar panel investments and is part of a conspiracy to cripple the solar market. Both said they put around \$40,000 into their solar systems.

Plaintiffs say NV Energy didn't do a scientific study on the benefits of net metering and lied about the cost of serving solar customers, although the complaint doesn't offer further details about what plaintiffs say were knowingly false statements.

The complaints echo concerns raised at recent regulatory meetings by solar advocates, who question the premise that traditional customers are subsidizing solar customers and point to a study that found net metering provided a net financial benefit to Nevada ratepayers overall.

But regulators and NV Energy say that study, done in 2013 and 2014, doesn't reflect current realities in the rapidly changing energy market.

They say solar customers still rely on NV Energy's electrical infrastructure to provide consistent power at night, on cloudy days or whenever their solar panels aren't offering enough electricity, and argue solar customers should pay their fair share to maintain the grid.