



Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building, 2nd Floor
Harrisburg, Pennsylvania 17120

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The PUC is proposing that they create another review step for net metering applications involving +500 kW renewable energy facilities. This review would add 30 days to the approval process. They also propose doubling the length of time that EDCs have to review net metering applications. Aside from the fact that this suggested solution will create a 5-fold increase in the time to process a net metering application, the PUC has shown that they are unable to police the current system. Here is an example.

As of the date of this letter, West Penn Power and PECO each have a net metering rider on their website that contains an outdated net metering definition. Each is fundamentally in error, since they state that renewable energy must be intended primarily to offset a customer-generator's need for electricity. This language was eliminated in the AEPS Act 7 years ago. The PUC promulgated a new regulation and made the change in 2008. Yet six years later, two EDCs still have not complied and updated the language in their rider. The rest of the utilities in the state have. It should be noted that West Penn Power has a tariff under review that corrects this error. But this is after 6 years of providing incorrect information to ratepayers. Who knows how many renewable projects were affected? How are we to believe that a new process would improve matters when situations like this have existed for so long?

West Penn Power compounds the problem by requiring net metering customers to sign a contract; agreeing to terms that were eliminated in the law and in the regulation years ago. The paragraph below comes from their application, which is posted on their website.

The Customer acknowledges and agrees that operation of Customer's generation facility is intended primarily to offset part or all of Customer's electricity requirements in accordance with the Net Energy Metering Rider. Customer further acknowledges and agrees that excessive generation by the Customer's generation facility, as determined solely by the Company, is cause for disqualification for service under the Net Energy Metering Rider.

No EDC (including West Penn Power) is empowered to define what excessive generation is. The Pennsylvania legislature, through the AEPS Act, defines the constraints on system size. Yet with a stroke of a pen, certain West Penn Power customers may have signed away their rights under net metering. At a minimum, West Penn is presenting a factually incorrect representation of how the AEPS Act and the PA Code govern net metering. Yet the PUC has done nothing.

How is the renewable energy industry to believe that the PUC could administer their new review process any better than they have done to date with the existing regulations? These outdated tariffs and practices have been right under the Commission's nose for six years. It would seem prudent to establish a fool-proof means of policing the existing net metering rules before the process is expanded any further. In all likelihood, the PUC could achieve the uniformity they say they seek by simply imposing the law and the regulations as they stand today. That would be a great first step.

Regards,

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