Comments in Response to the Advance Notice of Final Rulemaking Order
Docket No. L-2014-2404361
Submitted by Larry Moyer
April 30, 2015

Introduction

These comments are directed specifically to a dramatic change proposed for §§ 75.12; 75.13(a)(1); and 75.14(e). That change would radically alter the Code and, if implemented, would deprive residential customers of access to virtual meter aggregation.

First, in proposing this severe, new limit, the Commission ignores the "principal objective" of the AEPS Act.

THE PRINCIPAL OBJECTIVE OF THE AEPS ACT IS THE EXPANSION OF RENEWABLE ENERGY

The Act's "principal objective", according to the Commission, is "to provide incentives to small customer-generators to use alternative energy sources." (Final Rulemaking Order entered June 23, 2006, page 21). What the Commission proposes ("independent load") would subvert the "principal objective" of the AEPS Act, as determined by the Commission itself.

The AEPS Act simply says that there must be "requirements for electricity". It does not specify where in the two-mile area those "requirements" must originate. Clearly, load may exist at the generating site, but nothing in the statute "requires" it at the alternative energy system. The "requirements for electricity" may be at one meter or at all aggregated meters. This new condition is an artificial and arbitrary device that would undermine the Law's intent.

Second, the Commission mis-construes the issue of "eligibility" for virtual meter aggregation.

ELEGIBILITY FOR VIRTUAL METER AGGREGATIOIN IS CLEARLY ESTABLISHED BY THE STATUTE

> "Virtual meter aggregation on properties owned or leased and operated by a customer-generator and located within two miles of the boundaries of the customer-generator's property and within a single electric distribution company's service territory **shall be eligible** for net metering."

The statute is clear and offers broad access: 1) “Meter aggregation may be completed through physical or virtual meter aggregation” (75.12 “meter aggregation”); 2) virtual meter aggregation “**shall be allowed**” (75.14(e). If the renewable system is in a single service area and meets the two-mile limit, it “shall be eligible”. Virtual metering is afforded the same broad access as physical meter aggregation. The Commission’s change will stifle the broad access to virtual meter aggregation. The language of the statute is expansive and does not entertain further restrictions.

Third, in its “Summary of Changes”, the Commission makes the claim (page 5) that its proposed changes are for “clarification of the virtual meter aggregation language”. The Commission contends, In Section C.1, that changes to the language of virtual meter aggregation are proposed “to clarify when it is available”.

THE VIRTUAL METER AGGREGATION LANGUAGE IS CLEAR AND UNAMBIGUOUS AND NEEDS NO CLARIFICATION.

The change proposed in 75.12 and 75.14(e) would not “clarify”, as the Commission claims to do; the change would alter the Code drastically. The present language in the Code is clear and unambiguous and needs no “clarification”.

The Code is unequivocal and already specifies the limits of virtual meter aggregation: meters within two miles of boundaries, and meters within a single EDC’s service territory. There is no basis for further limiting access to virtual meter aggregation. The proposed change in 75.12; 75.13(a)(1); and 75.14(e) is nothing less than an attempt to suppress virtual meter aggregation.

Fourth, the proposed change would favor commercial customers and discriminate against residential customers. It would hamper the

VIRTUAL METER AGGREGATION IS AVAILABLE TO CUSTOMER-GENERATORS “REGARDLESS OF RATE CLASS”

If approved as proposed, virtual meter aggregation would be available only to customers who use electricity at several different locations.

Only those with detached rental properties, a separate business, two homes, or large land holdings within two miles would qualify. Others would have to “invent” some “independent load” at the generating site, perhaps a small enclosure with an electric fence or an ornamental fountain with a small circulating pump. In its attempt to restrict virtual metering, the Commission is inviting subterfuge.

Individual homeowners with merely a residential account would be excluded. Most residential customers would be denied access. Virtual meter aggregation "regardless of rate class" would be abolished.

The Commission, in 2006, expanded access to customer-generators and affirmed eligibility "regardless of rate class"; Now, the Commission proposes, effectively, to exclude residential (RS) customers unless they establish a business. The Commission, in 2006, expanded access to virtual meter aggregation; Now, the Commission seeks to curtail that access.

The implications of the proposed change are disturbing. The change would require the use of electricity at a second location. It would exclude homeowners who elect virtual meter aggregation for private residential use only. Nothing in the Code supports that restrictive understanding.

According to the Code, there must be "requirements for electricity" (75.12 – "net metering"). Those "requirements", however, are not restricted to a particular meter or to a particular location. The Commission misrepresents the Code in requiring "independent" load at the generating site.

This change is an attempt, in effect, to reserve virtual meter aggregation for commercial customers. This effort to favor commercial customers has no basis in the Code. The Code offers all customers a seat at the table, "regardless of rate class".

Fifth, the change would exclude "green spaces" along the distribution lines and the two-mile provision would be superfluous. Customers could not take advantage of idle, undeveloped land for solar generation unless they "create" some use for electricity, legitimate or contrived.

Physical meter aggregation remains the preferred option in most situations, but where physical meter aggregation is impractical or prohibitive, virtual meter aggregation is an ideal alternative and must be encouraged. Countless home owners in rural Pennsylvania have houses, sheds, and barns that are surrounded by trees or are ill-positioned for rooftop solar panels. Many rural properties are bisected by streams, railroad lines, or highways. Solar panels on one side of a highway cannot be wired directly to the other side. With virtual metering, however, a customer is able to aggregate the generation on one side with the use ("requirements") for electricity on the other. The network of distribution lines across the state offers multiple opportunities for interconnection.

My own case is a kind of prototype. My house is surrounded by trees, and rooftop solar is not possible. On the same parcel, however, there is a sunny location that affords optimal solar exposure. That optimal location is beyond a woods, a ravine, and a stream.

The distance and the terrain did not accommodate physical metering, but virtual meter aggregation offered the opportunity of solar generation. That sunny hillside is also near the utility company's distribution line. A PV generating system was approved on the basis of virtual meter aggregation, and interconnection was completed by PPL Electric in 2009. In 2010, PPL Electric discontinued net metering on my PV system, invoking the "independent load" requirement. They relented and restored net metering only after a Formal Complaint was filed. Now, the PUC wants to standardize this restriction and deny virtual meter aggregation to others. It also threatens to undo the approval and interconnection of my system that were completed in 2009.

The proposed changes will deny virtual meter aggregation to thousands of other homeowners with circumstances similar to mine.

Sixth, it is important to note that the unique costs specific to virtual meter aggregation are borne by the customer-generator 75.14(e). The customer-generator must pay for the lines that connect the renewable facility to the distribution line. The farther the new installation is from the distribution line, the higher the cost to be borne by the customer-generator.

That cost will be weighed by every applicant, and the number of new systems will be self-regulated in response to that economic reality.

Nothing in the Code or in the Commission's rationale justifies the radical change in 75.12; 75.13(a)(1); and 75.14(e)their "intent to permit a limited amount of virtual meter aggregation".

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May 5, 2015