

May 28, 2015

Pennsylvania Public Utility Commission Attn: Secretary P.O. Box 3265 Harrisburg, PA 17105-3265.

RE: Docket number (Doc. No. L-2014-2404361)

To the Pennsylvania Public Utility Commission:

SUNWPA (Solar Unified Network of Western Pennsylvania) does not support the PUC's suggested rulemaking to limit the amount of net metered production to 200% of the existing load for solar energy systems. We feel that this regulation is unnecessary, unwarranted and will cause additional barriers and costs to potential solar owners and to our industry. Some of the reasons that SUNWPA is not supportive of this rulemaking for distributed generators, particularly residential and small commercial systems, include:

- The PUC has not presented any documentation or research that shows that the customer generators (particularly residential and small commercial) are currently oversizing their systems so that they can profit from the utilities from the overproduction. In fact, most solar systems are sized to meet the existing demand. The PUC has not articulated that there is a problem that needs to be addressed at this time, nor does the PUC articulate the potential harm that they intend to avoid in the future by creating this rule. Adding this requirement creates additional loopholes and barriers for entry that are unnecessary, time-consuming and expensive for both customers and solar companies. We would recommend more research about the impacts of solar to the grid before additional restrictions are enacted. Based on research conducted by the Solar Energy Industries Association, grid-tied solar has more positive impacts to ratepayers and grid stability than negative impacts. We implore the PUC to conduct an analysis of these impacts prior to issuing rules that restrict production.
- The regulations already include a disincentive to overproducing. The regulations require that an IOU credit distributed generation producers for the full retail value of the energy that is produced from month to month. However, at the end of the year during the "true-up," the utility must only credit the owner for the price-to-compare for the over-production during the past year. Therefore, there is little financial incentive to build a system that will intentionally overproduce; it is financially counter-intuitive. Our extensive experience with solar customers shows that it is extremely rare that a customer will size a system to overproduce. Again, demonstrating there is no need for this rulemaking. However, adding an additional requirement will create added documentation, monitoring and processing time to our small businesses.
- Solar assists with peak power demand and if there is overproduction from the system, most
  of that would be going on-line when it is most needed by the grid during the summer months.
  There is an argument that the overproduction actually benefits the utility and ratepayers
  because the utility receives discounted clean energy (the "overproduced" solar energy that

receives discounted price-to-compare reimbursement) without making the hardware and technology investment. In addition, solar during peak demand hours reduces the amount of generation from "dirtier" energy sources that must be brought on-line to meet peak demand loads.

- The existing regulations allow residential customers to install up to 50kW systems, so there is already an existing cap on how much residential customers can interconnect.
- The overproduction percentage calculation is extremely difficult to manage. Who and how will this accounting be managed as loads fluctuate at the meter? Additional administrative monitoring of this unnecessary rule by the PUC will cost the ratepayers money.
- Estimating energy use on a new building or when a property changes ownership is extremely
  difficult because there are often no accurate historical records to size a system appropriately.
  When existing buildings change ownership, the new electrical use of the building may change.
  Therefore, this rulemaking places an undue burden on the industry and the solar customer to
  demonstrate compliance with this proposed rule, particularly when there may be no historical
  electrical usage.
- Placing a limit on production is a disincentive for energy efficiency.
- Distributed generation saves rate payers money, because it minimizes electricity lost during transmission over power lines, as distributed solar power is generated and consumed locally. Again, solar provides tangible benefits that would be counterproductive to limit.
- Increasing the amount of solar to the grid should be encouraged in order to address climate change and to lessen impacts of air pollution and will help Pennsylvania meet the impending EPA Clean Power Plan regulations. Restricting solar energy production decreases opportunities for better health outcomes from improved air pollution and decreased mercury pollution. We believe that the PUC is moving in the wrong direction by attempting to limit solar production and should be placing its energies into increasing clean energy production for the betterment of our society, our citizens and our planet.

Sincerely,

Shaw Ler

Sharon Pillar President, Solar Unified Network of Western Pennsylvania Email: <u>pillarsharon@gmail.com</u> Phone: 412-215-5995 Mailing Address: 200 First Avenue, Suite 200, Pittsburgh, PA 15222

About SUNWPA: SUNWPA is a member organization comprised of more than 20 solar developers and installation companies, pipeline businesses, non-profit organizations, solar owners and advocates in western Pennsylvania that work collaboratively to promote the use of solar energy through community education and through advocacy for more solar-friendly regulations and laws.