

# CITIZEN POWER

*Public Policy Research Education and Advocacy*

September 3, 2014

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Implementation of the Alternative Energy Portfolio Standards Act of 2004  
Docket L-2014-2404361**

Dear Secretary Chiavetta:

Enclosed please find Citizen Power's Comments, in the above referenced proceeding.

Sincerely,



Theodore Robinson  
Counsel for Citizen Power

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Implementation of the Alternative Energy Portfolio Standards Act of 2004** : **Docket No. L-2014-2404361**

**COMMENTS OF CITIZEN POWER, INC.**

**I. INTRODUCTION**

On November 30, 2004, Governor Edward Rendell signed Act 213 into law. Act 213 became effective on February 28, 2005, and established the Alternative Energy Portfolio Standards Act ("AEPS Act") in Pennsylvania. The AEPS Act included two key mandates: one, greater reliance on alternative energy sources, such as solar photovoltaic, in serving Pennsylvania's retail electric customers; and two, the opportunity for customer-generators to interconnect and net meter small alternative energy systems. The Pennsylvania General Assembly charged the Pennsylvania Public Utility Commission ("Commission") with implementing and enforcing these mandates, with the assistance of the Pennsylvania Department of Environmental Protection.

On February 20, 2014, the Commission entered a Proposed Rulemaking Order in the above-referenced docket in order to update and revise the current regulations in order to comply with Act 129 of 2008, Act 35 of 2007, and to clarify certain ambiguities extant in the regulations. *Citizen Power, Inc.* ("Citizen Power") respectfully submits these Comments in response to the Commission's proposed rulemaking published in the Pennsylvania Bulletin on July 5, 2014.

## II. COMMENTS

### *A. General Provisions: § 75.1 Definitions*

Citizen Power believes that the proposed definition for the term “utility” is unnecessarily broad. It appears that the intent of the Commission in their addition of the definition of the word “utility” is to exclude merchant generators from taking advantage of the benefits enjoyed by customer-generators. Specifically, since customer-generators are required to be nonutilities, the categorization of merchant generators as utilities prevents them from masquerading as customer-generators. Unfortunately, the net cast by the proposed definition of a “utility” is too broad and includes many individuals and entities that should properly be identified as nonutilities. For example, under a strict reading of the proposed definition of “utility”, a landlord that provides electricity to their tenants might be considered a utility. More concerning to the development of small scale renewable generation, it is unclear under the proposed definition if the common practice of using a power purchase agreement would erroneously label a participating person or entity a utility.

### *B. Net Metering: § 75.12 Definitions and §75.14 Meters and metering*

Citizen Power disagrees with the proposed modification of the definition of “virtual meter aggregation” that requires that each location must have measurable electric load, independent of the alternative energy system, in order to be aggregated. We also disagree with the corresponding requirement added to §75.14 that all properties to be aggregated must have an independent and measureable load. This additional condition is inefficient because a customer-generator would either have to site their generation next to existing load, even if the location is not optimal for maximizing output, or they would have to move load next to the generation, even if the location of the load is not ideal. In addition to the inherent inefficiency of the proposed

modifications, the amended AEPS Act does not allow for such a restriction. It unambiguously states that “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.”

*C. §75.13 General Provisions- 110% size limit*

Citizen Power supports the comments of the advocates for robust and appropriate net metering regulations in Pennsylvania, submitted on August 28, 2014, regarding the 110% new system size limit. As a topic of specific interest to us, we believe that the final rules must be crafted in a way that does not create ongoing questions regarding the ability of residential customer-generators to net meter. This is especially important for residential customers because it is likely that the property may change ownership several times over the life of the renewable generation system.

Respectfully Submitted,

By:   
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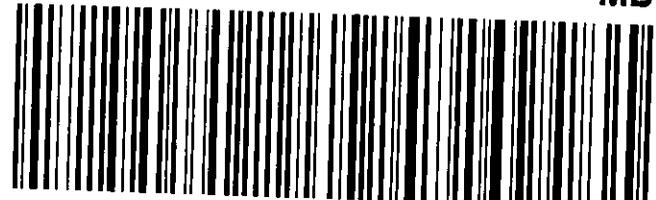
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