



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

April 24, 2015

Docket Number: L-2014-2404361

In the recent Advance Notice of Final Rulemaking, the PUC concludes there is a need to define the term “nonutility”, since it is used in the AEPS Act’s definition of a customer-generator. The PUC believes that any customer-generator that produces excess energy above a floating threshold that they have created (110%, 200% or some future percentage) is a merchant generator (a utility in their eyes). Once the customer-generator has attained that status, they would no longer be eligible for net metering. This despite the fact that the renewable energy system in question might be well within the statutory limits set by the PA Legislature.

Here is the definition selected by the PUC.

Utility (noun): a service (as light, power, or water) provided by a public utility.

From this definition, the PUC then creates their own definition for a nonutility; “...a nonutility would be one who does not provide a service, such as electric service in the context of the AEPS Act. A customer-generator is one who is not in the business of providing electric power to the grid or other electric users. As such, we proposed defining a utility in this context as a person or entity whose primary business is electric generation, transmission, or distribution services, at wholesale or retail, to other persons or entities.”

In their haste to fortify their conclusions, the Commission dropped the word “public” from the definition that they reference; an important word, as it turns out. Surely the PUC understands the problem of removing key words from a dictionary definition. Particularly when, in this instance, the word is “public”.

When we use the entire definition that the PUC provided, the logic becomes very clear.

- a. A utility is a service provided by a public utility (Websters)
- b. Thus, a nonutility is a service provided by a non-public utility
- c. Public utilities are regulated by the Public Utility Commission
- d. Therefore, any generator not regulated by the Public Utility Commission is a nonutility

Cherry picking words from a dictionary definition to prove a point is beneath the PUC. We should be able to expect more from our regulatory agencies. This gratuitous wordsmithing should cease immediately.

Regards,

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