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MOYER COMMENTS (Part 3)

Topic: The Final Rulemaking Order and its punitive impact on homeowners who elect virtual meter aggregation

RE: Final Rulemaking Order of the Public Utility Commission (Docket No. L-2014-2404361)
ID Number 57-304
Comments for consideration by the IRRC

George D. Bedwick, Chairman
IRRC
333 Market Street, 14th Floor
Harrisburg, PA 17101

Dear Chairman Bedwick,

I appreciate this opportunity to comment on the Final Rulemaking Order and its devastating, but little-known consequences for residential customers. Some of these are the consequences of PUC action, and the others are consequences of inaction. The most troubling of these is that the Final Rulemaking Order, if implemented, will deny thousands of homeowners access to an important provision in the AEPS Act called "virtual meter aggregation".

Countless homeowners who would qualify for virtual meter aggregation are denied solar generation because of the penalties which accompany it. There are various such penalties and disincentives that effectively discriminate against residential customer-generators. These consequences have received little attention in the public discourse or in previous comments.

Since electing virtual meter aggregation in 2009, I have been subject to all of these penalties, and I offer my experience as "exhibit one" for demonstrating their impact. My tiny PV generating system was approved by PPL Electric and began operating in March, 2009.

First, under the "independent load" requirement (75.13 (a)(1), the Final Rulemaking Order says that a second, pre-existing meter must already be operating where the owner plans to

install his PV system. That requirement was imposed on me retroactively in 2010 by PPL Electric Utilities Corporation and then affirmed by the PUC in 2011. That requirement, now added as section 75.13 (a)(1), is a condition that few homeowners will ever meet. A homeowner with two operating meters would be highly unusual, and under this requirement, most homeowners will be excluded from virtual meter aggregation. They will.not be able to take advantage of virtual meter aggregation or of the "two mile" provision in the AEPS Act. Since 2011, the PUC has dangled the threat of this policy over my PV solar facility, and the Complaint I filed in 2011, still today, is unsettled. Now the PUC is determined to impose it on all residential customers.

A second penalty awaited early adopters, like me, who, unwittingly, elected virtual meter aggregation. That penalty is the imposition of two separate accounts and two separate customer service charges every month. No such double charge is imposed on physical meter aggregation ("rooftop solar"), either for residential or commercial accounts. Small homeowner systems like mine lose substantial generation credit to this punitive double fee.

A third penalty involves the "commercial" designation of the PV facility. For homeowners who choose virtual meter aggregation, the solar array is treated, effectively, as a business entity, and is "penalized" accordingly. In addition to the RS fee on my house account, I am charged a separate (and higher) commercial (GS-1) fee for my PV facility. Both charges have been imposed every month since March, 2009. Nothing in the Regulations or in the AEPS Act justifies imposing this commercial charge on residential customers. This commercial charge, again, is not imposed on homeowners who choose "rooftop solar" or physical meter aggregation. Using this commercial charge, the utility, in 2014, took back 50% of the generation value from my own small system. Unless one of the meters is serving a business account, there is no

justification for such a commercial (GS-1) charge. Unfortunately, nothing in the Final Rulemaking Order serves to mitigate this punitive designation, and the disincentive effectively eliminates virtual meter aggregation as a future option for homeowners. The effect of this commercial charge is to limit solar energy, not "expand" it as the legislature intended.

The billing process imposes several more disincentives, and the Final Rulemaking Order offers no remedy. It is clear from the Code that aggregation is to be done "by means of the billing process" (75.12 – "virtual meter aggregation") Nevertheless, no uniform billing process has been implemented by the PUC, and billing procedures vary from one utility to another.

Monthly bills do not apply credit on a uniform, "real-time" basis. PPL Electric, for example, maintains a "one-month lag" in issuing credit. Using this practice, the final month of "full retail" generation credit is carried over into the next PJM year. This practice contradicts the PUC's own revision, in 75.13(f), which says that "DISTRIBUTION CREDITS ARE NOT CARRIED FORWARD INTO THE NEXT YEAR".

Another billing aberration involves the failure to apply credit "up to the amount used", as required by 52 Pa. Code § 75.13(c). When credit is withheld until a subsequent month, the amount of applied credit does not correspond to the "amount used". Instead, it reflects only the amount generated in the preceding month. This aberration results, from month to month, either in an excess charge or an excess credit. It also yields a chain of untraceable, inaccurate, unreconciled monthly data.

Still another punitive feature of virtual meter aggregation is the imposition of two separate monthly bills. This practice is physically cumbersome, and it complicates "meter aggregation" itself. Nothing in the AEPS Act or in the Pa. Code specifies two separate accounts for homeowners. Again, unless there is a business entity that requires a separate account,

residential customers should be provided with one transparent bill that shows how the aggregation of the separate meters was completed.

Instead of removing barriers for homeowners who seek virtual meter aggregation, the Final Rulemaking Order overlooks them or adds new ones. These penalties and aberrations have no justification, either in the AEPS Act or in the Pa. Code. In the interest of the public, and more specifically residential customers, the IRRC should vote to disapprove the Final Rulemaking Order.

Respectfully submitted,

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