

August 24, 2016

Amy M. Elliot, Esquire
Senior Deputy Attorney General
Legal Review Section
Pennsylvania Office of Attorney General
16<sup>th</sup> Floor, Strawberry Square
Harrisburg, PA 17120

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RE: Implementation of the Alternative Energy Portfolio Standards Act of 2004

Pa. PUC Docket No. L-2014-2404361)

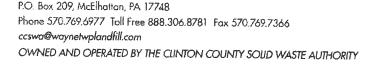
Independent Regulatory Review Commission ("IRRC") No. 3061

Dear Assistant Attorney General Elliot:

Clinton County Solid Waste Authority operates a landfill in McElhattan, Clinton County, Pennsylvania, and has done so since 1973. In addition to operation of waste and recyclable materials collection/processing, the Authority's by-laws provide for development of alternative energy programs, including methane gas generated from solid waste disposal. As such, the Authority is preparing to participate in a gas to energy project under the Alternative Energy Portfolio Standards Act and metering program.

It has come to our attention that the Pennsylvania Utility Commission has requested your offices review of the twice IRRC disapproved rules issued most recently on June 9, 2016. The Authority believes that the IRRC was correct in its decision and we respectfully request that the Office of Attorney General disapprove this final revised rule making from the PUC.

The <u>new</u> legal definition of what is considered a "utility" (which is defined as "A person or entity that provides electric generation, transmission or distribution services, at whole sale or retail, to other persons or entities.") is so broad that it appears to disqualify any party involved in any form of electric production or distribution to anyone else. It sets a precedent by declaring any alternative energy producer that provides power to anyone else must be considered a "utility." Nonetheless, the Public Utility Code specifically excludes Electric Generation Suppliers (none PUC regulated suppliers) from the definition of a public utility.



A utility is traditionally considered a provider of services for the good of the general public. A small, on-site, non-regulated alternative energy system is simply not a utility by any definition. This new utility definition in conjunction with the <u>revised</u> customer-generator definition (which goes beyond the statutory language) does not support the AEPS Act's intent to promote renewable generation. The results of these changes will severely impede existing project economics and the development of new alternative energy systems.

Our understanding is that the net metering rules were established to promote the use of renewable energy in the Commonwealth under the AEPS Act which "was designed to foster economic development, encourage reliance on more diverse and environmentally friendly sources of energy". In our opinion, however, the proposed legal changes to the intent of the Act will undermine these objectives and slow the acceptance of these environmentally responsible technologies.

Significant investments were and are are being made, benefiting both the environment and the local communities, relying on this understanding. Changing the rules after the fact is unfair to current and new net metering participants and threatens the viability of their businesses. In addition, it undermines public trust in the Commonwealth and its existing laws. Pennsylvania will have difficulty attracting future investment, if its announced long term policies are subject to regular revision.

Thanks for your consideration of our comments.

Respectfully Submitted,

Jay B. Alexander, General Manager Clinton County Solid Waste Authority

CC:

Paul D. Welch, Jr., Esquire, Solicitor for Clinton County Solid Waste Authority

CCSWA Board of Director's

Pennsylvania Public Utility Commission

Commonwealth Keystone Building

400 North Street

Harrisburg, PA 17120

Attn.: Chairman Gladys M. Brown

Independent Regulatory Review Commission by email to <a href="mailto:irrc@irrc.state.pa.us">irrc@irrc.state.pa.us</a>