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May 1, 2015

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

RE: Docket L-2014-2404361
Proposed Net Metering Changes

Dear Commissioners:

As a participant in the Commonwealth's net metering program through our 3200 kilowatt landfill gas-to-energy project at Lycoming County's Landfill, we again read with concern the most recent proposed net metering changes published on April 23, 2015.

We appreciate the commissioners' response and revisions based on comments provided by ourselves and others in regards to grandfathering existing and approved net metered system. Commissioner Cawley's statement even goes on to note that "existing net metered installations are grandfathered".

As participation in the Commonwealth's net metering program is intended for "non-utilities," at issue is the new definition of "utility." It is not clear why the commission feels that the traditional understanding of a utility (an entity serving the public good whose rates are regulated by the commission) needs modification for the net metering rules. The proposed utility definition is too broad. We believe that it sets a dangerous precedent by declaring any alternative energy producer a "utility" if it provides electricity to any other party. Even the commission acknowledges on its web site that it does "provides oversight, policy guidance and direction to public utilities" and "does not otherwise oversee or regulate suppliers." A small, on-site alternative energy system "supplier" is simply not a utility by any definition.

Revisions

We request the following revisions:

- First, grandfather all existing, approved net metering installations without exceptions
- Add clarity that a "utility" provides services for the public good and whose rates are regulated by the public utility commission

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We propose the following changes (shown as underline) to the utility definition:

“Utility—A person or entity that provides electric generation, transmission or distribution services, at wholesale or retail, to other persons or entities for the public good and who are regulated by the public utility commission. AN OWNER OR OPERATOR OF AN EXISTING OR APPROVED NET METERING SYSTEM OR AN OWNER OR OPERATOR OF AN ALTERNATIVE ENERGY SYSTEM THAT IS DESIGNED TO PRODUCE NO MORE THAN 200% OF A CUSTOMER-GENERATOR’S ANNUAL ELECTRIC CONSUMPTION SHALL BE EXEMPT FROM THE DEFINITION OF A UTILITY IN THIS CHAPTER.”

Our understanding is that the net metering rules were established to promote the use of renewable energy in the Commonwealth under the Alternative Energy Portfolio Standards (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 changes to the Act will undermine these objectives and slow the acceptance of these environmentally responsible technologies.

Significant investment decisions, benefiting both the environment and the local economy, were made, relying on this understanding. As we have stated before, changing the rules after the fact is unfair to current net metering participants and threatens the viability of their businesses. In addition, it undermines public trust in the Commonwealth and the Commission. Pennsylvania will have difficulty attracting investment, if its announced long term policies are subject to regular revision.

A timely response to the concerns noted above (grandfathering of all existing net metered installations) to my attention would be appreciated.

Respectfully Submitted,



Tony Mussare, Chairman
Lycoming County Commissioners

CC: Jeff Rauff, Lycoming County Commissioner
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