



17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
717-731-1970 Main  
717-731-1985 Main Fax  
www.postschell.com

David B. MacGregor

dmacgregor@postschell.com  
215-587-1197 Direct  
215-320-4879 Direct Fax  
File #: 153362

March 21, 2014

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

**Re: Petition of PPL Electric Utilities Corporation For Approval of a Distribution System Improvement Charge - Docket No. P-2012-2325034**

Dear Secretary Chiavetta:

Enclosed please find the Affidavit of Bethany L. Johnson on behalf of PPL Electric Utilities Corporation in the above-referenced proceeding. A copy will be provided to the Court Reporter, as well as to those parties indicated on the Certificate of Service.

Respectfully submitted,

*David B MacGregor*  
David B. MacGregor

DBM/jl  
Enclosures

cc: Honorable Kandace F. Melillo  
Commonwealth Court Reporting  
Certificate of Service

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation For Approval of a Distribution System Improvement Charge	:	Docket Nos. P-2012-2325034
	:	
Office of Consumer Advocate	:	C-2012-2346390
Alan D. Whitehouse	:	C-2013-2345750
Pamela Mosconi	:	C-2013-2346375
John E. Hoag	:	C-2013-2345729
James Weaver	:	C-2013-2351090

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**AFFIDAVIT**

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I, Bethany L. Johnson, being duly sworn according to law, upon oath depose and say:

1. I am the Manager – Regulatory Compliance with PPL Electric Utilities Corporation (“PPL Electric”). I am authorized to execute this affidavit on behalf of PPL Electric.

2. I hereby state that PPL Electric does not have an automatically adjusting Net Metering Rider. The Commission’s Order of May 23, 2013 appears to refer to the tariff rider directed at Net Metering for Renewable Customer-Generators.

3. Pursuant to the Alternative Energy Portfolio Standards (“AEPS”) Act, 73 P.S. § 1648.1, *et seq.*, and the regulations promulgated by the Pennsylvania Public Utility Commission (“Commission”) at 52 Pa. Code §§ 75.1, *et seq.*, electric distribution companies (“EDCs”), including PPL Electric, are required to provide a net metering service to customer-generators that generate electricity on the customer-generator’s side of the meter using Tier I or Tier II alternative energy sources.<sup>1</sup> The terms and conditions for this net metering service are contained

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<sup>1</sup> Tier I and Tier II alternative energy sources are defined in 52 Pa. Code § 75.1.

in PPL Electric's Commission-approved tariff at page numbers 19L.2 through 19L.4A. The relevant portion of the tariff is attached to my affidavit as PPL Electric Exhibit BLJ-A1.

4. Customers who are eligible for net metering service are customers that take *normal distribution service from PPL Electric at rates applicable to their customer class*. Net metering customers use a bi-directional meter, which reads both the amount of electricity being consumed by the customer, as well as the amount of energy that is being transferred from the customer's generating facilities onto PPL Electric's system. The bi-directional meter runs forward when the customer is consuming net energy; when the customer is generating net energy, the meter runs backward.

5. As a result of the bi-directional meter, the monthly meter reading for net metering customers reflects the customer's net usage for the month. If the customer consumes more electricity than the customer generates, then the customer will be charged for the net usage. For example, if a Residential customer-generator consumed 100 kWh of electricity in a month, but only generated 40 kWh of electricity in that same period, then the customer would be charged for 60 kWh of consumed electricity (i.e., the portion of consumption not offset by generation). The charge to the customer for the 60 kWh would be calculated pursuant to PPL Electric's Residential rate class tariff provisions. The revenues generated from charges to customer-generators are included in base distribution revenues, because the charges are calculated pursuant to the Company's base distribution rates.

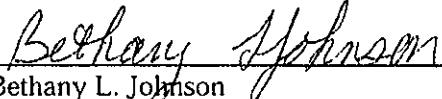
6. If the customer has generated more electricity than it consumed in a month, then the usage amount for distribution purposes is zero, and the customer is not charged for the kWh component of the distribution component of the bill. Customer charges and demand charges, which are not calculated on a per kWh basis, would be charged. Any excess generation over monthly consumption is carried forward to the next month and used to offset consumption in that

month. At the end of May of each year, any net excess generation for the 12-month period is cashed out at the Company's price to compare if the net metering customer is a default service customer. The excess generation and PPL Electric's payment for it are reflected in the Company's applicable default service rates, including GSC-1 and TSC charges. They are not reflected in distribution rates. If the net metering customer is a shopping customer, net metering for excess generation is handled as part of the customer's agreement with the applicable electric generation supplier.

7. The tariff provision for Net Metering for Renewable Customer-Generators does not generate any distribution revenue. For this reason, this tariff provision is not included in the calculation of the DSIC revenue cap. The effect of net metering indirectly impacts the cap, because net metering affects the company's distribution revenue as the net usage recorded on the bi-directional meter is used to calculate the customer's monthly bill. In the example provided in Paragraph 5, without taking into account the effect of net metering, the Company would show revenues associated with 100 kWh of consumption. Taking into account the offset provided as a result of net metering, PPL Electric would show only revenues associated with the 60 kWh of consumption for which the customer is charged.

8. I state that the information set forth herein is true and correct to the best of my knowledge, information, and belief and that if asked orally at a hearing in this matter my answers would be as set forth therein.

9. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

  
Bethany L. Johnson  
Manager – Regulatory Compliance  
PPL Electric Utilities Corporation

**CERTIFICATE OF SERVICE**

*Docket No. P-2012-2325034*

I hereby certify that true and correct copies of the foregoing have been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

**Via E-Mail and First Class Mail**

Candis A. Tunilo, Esquire  
Erin L. Gannon, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923

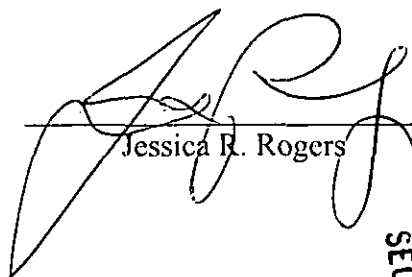
Adcolu A. Bakare, Esquire  
Pamela C. Polacek, Esquire  
McNees Wallace & Nurick LLC  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
*PP&L Industrial Customer Alliance*

Eric Joseph Epstein  
4100 Hillsdale Road  
Harrisburg, PA 17112

Steven C. Gray, Esquire  
Office of Small Business Advocate  
Commerce Building  
300 North Second Street, Suite 1102  
Harrisburg, PA 17101

Robert D. Knecht  
Consultant for OSBA  
Industrial Economics Incorporated  
2067 Massachusetts Avenue  
Cambridge, MA 02140

Date: March 21, 2014

  
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Jessica R. Rogers

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