

May 29, 2015

Rosemary Chiavetta
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Comments on Proposed Rulemaking Order concerning implementation of the
Alternative Energy Portfolio Standards Act of 2004**

Docket Number: **L-2014-2404361**

Dear Secretary Chiavetta,

We respectfully submit the following Comments for consideration in the matter of the Advanced Notice of Final Rulemaking.

Please contact us if you have additional question or require additional information.

Thank you,



Vera Cole
President
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May 29, 2015

Submitted by:

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Docket Number: **L-2014-2404361**

**Comments from the Mid-Atlantic Renewable Energy Association (MAREA)
regarding the Pennsylvania PUC Advanced Notice of Final Rulemaking Order amending
regulations to comply with the Alternative Energy Portfolio Standards Act**

The Mid-Atlantic Renewable Energy Association (MAREA) appreciates the opportunity to comment on the Advanced Notice of Final Rulemaking Order adopted by the Pennsylvania Public Utility Commission on April 23, 2015 amending regulations to comply with the Alternative Energy Portfolio Standards Act of 2004, including Act 35 of 2007 and Act 129 of 2008.

The Mid-Atlantic Renewable Energy Association (MAREA) is a nonprofit organization, dedicated to educating and engaging the public and to advocating for renewable energy production, energy efficiency and sustainable living. Headquartered in Berks County, PA, MAREA has served the region for more than 10 years. MAREA's longstanding *Pennsylvania Renewable Energy and Sustainable Living Festival* hosted up to 10,000 participants a year. MAREA's educational offerings include solar installation training, solar homeowner's workshops, backup storage design (for NABCEP credit) and well-attended monthly educational meetings, free and open to the public. MAREA publications include *Pennsylvania Homeowner's Guide to Solar Electricity* (2009), the film *Saving Sunshine: Keeping the Lights on With Batteries and Solar Power* (2013) and the report *Pennsylvania Sunshine Counts: Our Common Solar Wealth* (2014).

Concurrent with this Comment, MAREA is submitting under separate cover the signatures and comments of 1,700 residents of Pennsylvania requesting that the PA PUC:

- (1) withdraw the proposed changes to §75.13(a)(3) that would add a new generation limit on system size;
- (2) withdraw the proposed changes to §75.13(k) that would give the Commission authority to approve utility company requests to charge net metered customers special fees; and
- (3) withdraw the proposed changes to §75.12 and §75.14, adding new load requirements for virtual net metering.

These are the "rules" addressed in this Comment.

A review of the comments in the submitted list recognizes two predominant themes: support for clean energy in PA (without new limitations) and distrust in the motivation behind the proposed rules. The proposed rules do limit and deter private investment in clean energy. And it's true, no basis—no data, no analysis, no studies, no examples, not even a compelling what-if scenario—is offered to substantiate a need for the new rules. As far as MAREA can tell, the public is indeed left with little choice but to speculate over motivation and for whose benefit these rules are designed.

Here's (some) of what is known:

- The new rules *will* add administrative costs for utilities, which will be passed along to rate payers.
- The new rules *will* add time and costs for solar installation companies, which will either be absorbed by small businesses already operating on tight margins or passed along to customers.
- The new rules *will* add uncertainty about if and when a project will be approved for interconnection.
- The new rules *will* add uncertainty about future costs to owners in the form of special fees.
- The additional costs and uncertainty *will* have a chilling effect on the solar industry in Pennsylvania, costing jobs and losses for local economies across the state.

Here's (some) of what is not known:

- How many (if any) projects will be detected as rule-breakers and stopped? How much excess generation will be prevented by the new rules?
- All in all, how much cost (in the form of “excessive retail subsidies”) will ratepayers *really* be spared? A utility pays price-to-compare for excess generation, often at times of high demand, and then resells the generation. The opportunity for substantial ratepayer savings from reduced excess generation payouts appears highly questionable.
- Do new rules restricting size and location provide *any* net benefit to ratepayers? To others?
- How will the PA PUC determine if new fees requested by utilities are approvable? Opening the door to special fees on net-metered customers presupposes that the aggregate costs of net metering outweigh the aggregate benefits. This is far from an established statement of fact and deserves very careful consideration. If benefits to the grid at large *do* outweigh the costs, then fees—even the threat of fees—works directly against the public interest.

While the new rules will surely add new costs, delays and uncertainty for clean energy in Pennsylvania, it is not known if they will provide *any* net benefit to Pennsylvanian ratepayers and businesses. (In fact, for the ratepayers and communities of Pennsylvania, the rules could very well cost *more* than they save.)

Here's the confounding thing—Pennsylvanians want and support clean energy. From the PA AEPS passage in 2004 to a bipartisan poll¹ earlier this year, indicating 88% of Pennsylvanians

“support” increasing use of clean and renewable energy, Pennsylvanians tell us they want more clean energy. This correlates with observations across the country and worldwide. It is not surprising. We experienced Sandy and now watch while Texans drown and California suffers. Nine of the ten warmest years ever recorded have occurred since 2000. Greenhouse emissions must be controlled. Clean energy development is urgently needed.

According to its Mission, the PUC seeks to foster new technologies and competitive markets in an “environmentally sound manner.”

Given Pennsylvanians’ widespread support for clean energy, the letter and spirit of the PA AEPS in support of clean energy development, the global urgency to reduce energy-related emissions and the PA PUC’s commitment to “environmentally sound” practices, don’t new rules designed to limit and deter investment in clean energy warrant, at the very least, strong scrutiny in regard to their public benefit?

MAREA urges the PA PUC to take a highly cautionary approach to new rules designed to deter or limit clean energy development. Rules such as those proposed in this Rulemaking Order should be strongly justified and used as a *last* resort, not applied lightly in the absence of proven necessity.

In consideration of these rules, MAREA urges you to shift the burden-of-proof to those who argue in favor of deterring and limiting clean energy development in Pennsylvania. Please, demand evidence that these rules are for *our* good. Please, require detailed, transparent, data-backed reasoning to show that current rules are inadequate and new rules are needed.

In summary, MAREA respectfully requests that the Commission take steps to assure Pennsylvanians that ratepayer protection is not being used as an unsubstantiated “justification” by those who wish to limit and deter clean energy development in the Commonwealth. As far as MAREA can tell, this assurance is not currently available.

We appreciate that these matters are complicated and many points of view are involved. Thank you for your time and attention to these important matters.

Kind regards,



Vera Cole
President
Mid-Atlantic Renewable Energy Association (MAREA)

1 The bipartisan team of Fairbank, Maslin, Maullin, Metz & Associates (FM3) and Public Opinion Strategies (POS) conducted a survey of 400 registered voters in Pennsylvania via landline and cell phone from December 17-18, 2014. The margin of sampling error for the full study is +/- 4.9 percentage points at the 95% confidence level. (http://docs.nrdc.org/globalwarming/files/glo_15020401a.pdf)