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June 29, 2015

VIA ELECTRONIC FILING

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: Jay Larry Moyer v. PPL Electric Utilities Corporation
Docket Nos. C-2011-2273645 & C-2014-2444864

Dear Secretary Chiavetta:

Enclosed for filing is the Reply Brief of PPL Electric Utilities Corporation, in the above-referenced proceedings.

Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Christopher T. Wright

CTW/jl
Enclosures

cc: Honorable Cynthia Williams Fordham
Certificate of Service

CERTIFICATE OF SERVICE

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

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Date: June 29, 2015

Christopher T. Wright

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Jay Larry Moyer	:	
	:	Docket Nos. C-2011-2273645
v.	:	C-2014-2444864
	:	
PPL Electric Utilities Corporation	:	

REPLY BRIEF OF PPL ELECTRIC UTILITIES CORPORATION

To Administrative Law Judge
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I. INTRODUCTION

This proceeding involves two Formal Complaints filed by Jay Larry Moyer ("Complainant") regarding the billing process and payments for virtual meter aggregation electric service provided to the Complainant's house and detached solar array, which are connected to PPL Electric Utilities Corporation's ("PPL Electric" or the "Company") electric distribution system at two separate locations in Klingerstown, Pennsylvania. The First Complaint at Docket No. C-2011-2273645 alleges that PPL Electric failed to properly aggregate his accounts under the virtual net meter aggregation provisions of PPL Electric's Net Metering for Renewable Customer-Generators Rider ("Net Metering Rider") and that consequently he did not receive proper credits or payments for the electricity that was generated by his solar panels. The Second Complaint at Docket No. C-2014-2444864 alleges issues regarding the accuracy and content of PPL Electric's billing processes for the Complainant's virtual net meter aggregation accounts.

The Complainant requests that the Pennsylvania Public Utility Commission ("Commission"): (1) direct PPL Electric to implement a fully automated billing process for virtual meter aggregation; (2) require PPL Electric to issue a single bill for all accounts associated with virtual meter aggregation; (3) require PPL Electric to include numerous additional line item details on the bills of virtual meter aggregation customers; (4) find that Complainant's account for his solar facility qualifies for PPL Electric's residential Rate Schedule RS; (5) find that Complainant is not required to pay the customer and demand charges associated with his account for the solar facility, and order PPL Electric to refund any such customer or demand charges paid to date; and (6) order PPL Electric to compensate Complainant for the excess generation produced by his solar facility during the period of June 2010 through December 2010 when his solar facility was removed from virtual meter aggregation.

(Complainant MB, pp. 23-24) In the alternative, the Complainant requests that PPL Electric be directed, at its own expense, to rewire the solar facility with his residence, using his specifications and selected contractor, to enable the Complainant to participate in physical meter aggregation instead of virtual meter aggregation. (Complainant MB, p. 24)

In addition, for the first time in his post-hearing brief, the Complainant also seeks additional damages and penalties. Specifically, the Complainant requests that the Commission award "a reasonable estimate of appropriate compensation" in addition to his claim for a refund of demand/customer charges and compensation of credits allegedly owed for the period of June 2010 through December 2010. The Complainant also requests that the Commission impose civil penalties for purported violations of the Public Utility Code, Alternative Energy Portfolio Standards Act of 2004, 73 P.S. §§ 1648.1 – 1648.8 ("AEPS Act"), and the Commission's net metering regulations. (Complainant MB, p. 24)

As explained below, the record evidence in this case demonstrates that the Complainant has failed to meet his burden of proof. There is simply nothing in the Public Utility Code, AEPS, Commission regulations, or PPL Electric's tariff that requires: (i) automation of virtual meter aggregation billing; (ii) a single bill for all accounts associated with virtual meter aggregation; or (iii) that the additional information requested by the Complainant be included on the bills for virtual meter aggregation customers. Further, the unrefuted evidence demonstrates that PPL Electric's billing system simply cannot, absent a costly upgrade, do what the Complainant has requested. The record also demonstrates that PPL Electric's manual billing process is reasonable and accurate.

Importantly, PPL Electric has offered to provide the Complainant with the very same monthly spreadsheets the Company uses to calculate his bill. This would provide the

Complainant, on a monthly basis, with all of the information that he requests. Inexplicably, the Complainant has refused to accept these calculation sheets, contending that receiving all the information he requests would not satisfy his concerns.

The record evidence in this case also demonstrates that the Complainant's concerns regarding the rate schedule and customer/demand charges for his solar facility are directly contrary to PPL Electric's Commission-approved tariff and prior Commission precedent. It is clear that the Complainant's solar facility does not qualify for Rate Schedule RS under PPL Electric's Commission-approved tariff. Further, the unrefuted evidence demonstrates that the Complainant's solar facility and residence are located at two entirely different points of interconnection with PPL Electric's system, and that the solar facility uses the system to both receive electricity and to supply electricity into the electric grid. Under these circumstances, the Complainant clearly is responsible for the customer and demand charges associated with his solar facility. In any event, the Complainant's claim for a refund of rates paid is barred by the Commission-made rates doctrine and 66 Pa.C.S. § 3304(a), and any relief granted must be applied prospectively only.

For these reasons, as further explained below, the Complainant has failed to meet his burden of proof and is not entitled to the relief requested. Accordingly, the Honorable Administrative Law Judge Cynthia Williams Fordham (the "ALJ") and the Commission should deny the two Complaints with prejudice.

II. STATEMENT OF THE CASE

On November 15, 2011, Complainant, by and through legal counsel, filed the First Complaint at Docket No. C-2011-2273645. The First Complainant alleged that PPL failed to properly aggregate his accounts under the virtual meter aggregation provisions of PPL Electric's Net Metering Rider and that consequently he did not receive proper credits or payments for the

electricity that was generated by his solar panels. The First Complaint requested that the Commission order PPL Electric to apply virtual meter aggregation to his two accounts, disclose all credits and/or payments that have been made to him, and, if necessary, fully reimburse him for the electricity generated.

An evidentiary hearing on the First Complaint was held before the ALJ on August 15, 2012. By Initial Decision issued February 22, 2013, the ALJ dismissed the First Complaint.

On March 15, 2013, the Complainant filed Exceptions to the Initial Decision, with a Request for Oral Argument. PPL Electric filed Reply Exceptions on March 29, 2013. Thereafter, the Complainant filed numerous requests to reopen the record and submit additional information in support of his First Complaint. PPL Electric filed responsive pleadings to each of the Complainant's requests.

On January 9, 2014, the Commission issued an Opinion and Order, vacating the Initial Decision and remanding the First Complaint to the Office of Administrative Law Judge for further proceedings as may be required to address the accuracy of the bills and credits provided by PPL Electric for the Complainant's virtual meter aggregation accounts. *See Moyer v. PPL Electric Utilities Corp.*, Docket No. C-2011-2273645, at pp. 20-21 (Order Entered Jan. 9, 2014) ("*January 2014 Order*"). The Commission also ordered that: (i) PPL Electric must submit additional data; (ii) the parties shall attempt to resolve the Complainant's issues related to billing, credits and payments; (iii) the Complainant may request further hearings, but his request must delineate specific errors in the bills, credits and payments rendered by PPL Electric; and (iv) PPL Electric shall permit the Complainant to virtually aggregate his two existing metering accounts from March 2009 and prospectively, subject to changes in applicable laws or tariffs. *See January 2014 Order*, Ordering Paragraphs 6-9.

On January 17, 2014, the Complainant filed a Motion for Certification of Interlocutory Order for Immediate Appeal of the First Complaint. On January 30, 2014, PPL Electric filed an Answer in opposition to the Motion. On February 14, 2014, the Commission entered an Opinion and Order at Docket No. C-2011-2273645 that granted, in part, and denied, in part, the Motion filed by the Complainant on January 17, 2014 ("*February 2014 Order*"). Specifically, the Commission concluded that an immediate appeal of the *January 2014 Order* would not advance the termination of this proceeding and, therefore, denied the Complainant's request to permit an immediate appeal from the *January 2014 Order*. *See February 2014 Order*, p. 8. The Commission, however, granted, in part, the Complainant's alternative request that the Commission establish a deadline for the Law Bureau to provide a status report to the Commission regarding whether the net metering regulations needed to be clarified.[1] *February 2014 Order*, pp. 8-9.

PPL Electric submitted the additional data as directed by the Commission's *January 2014 Order* and once again attempted to settle the Complainant's concerns regarding the payments and credits he received for participating in virtual meter aggregation. However, the Complainant again rejected the Company's settlement proposal.

Subsequently, the Complainant filed two separate Petitions for Review with the Commonwealth Court at Docket Nos. 390 CD 2014 and 448 CD 2014. PPL Electric intervened and the Commission moved to quash both Petitions to Review. By Orders dated May 14, 2012, and July 21, 2014, the Commonwealth Court quashed the Petitions for Review.

[1] By Order entered February 20, 2014, the Commission requested comments on the Proposed Rulemaking Order amending Chapter 75 of the Commission's regulations, 52 Pa. Code §§ 75.1, *et seq.*, to further comply with the APES Act and 66 Pa.C.S. § 2814. Based upon the comments received, the Commission revised its proposed AEPS regulations and entered an Order requesting comments on the proposed revisions. *See Advanced Notice of Final Rulemaking Order*, Docket No. L-2014-2404361, p. 6 (Order Entered Apr. 23, 2015).

By correspondence dated September 26 and October 7, 2014, the Complainant requested a further hearing on the First Complaint. However, the Complainant's requests for further hearings on the First Complaint failed to "delineate *specific* errors in the bills, credits and payments rendered by PPL Electric" as required by the Commission's *January 2014 Order*. *See January 2014 Order*, Ordering Paragraph 8 (emphasis in original). Notwithstanding the foregoing, by correspondence dated October 14, 2014, PPL Electric agreed that further hearings should be scheduled.

On October 23, 2014, PPL Electric was served with the Second Complaint. In the Second Complaint, the Complainant alleged issues regarding the accuracy and content of PPL Electric's billing processes for the Complainant's virtual meter aggregation accounts, and included all his bills to date since the First Complaint. The Second Complaint requested that the Commission order PPL Electric to develop and implement new automated billing procedures and processes and a single bill for virtual meter aggregation accounts.

On November 5, 2014, PPL Electric filed an Answer and Preliminary Objections to the Second Complaint. PPL Electric's Preliminary Objections requested that the Second Complaint be dismissed pursuant to 52 Pa. Code § 5.101(a)(6), because the allegations, issues, and relief requested in the Second Complaint would be fully addressed by the Parties and the Commission through the First Complaint Proceeding. In the alternative, the Preliminary Objections requested that the Second Complaint be consolidated with the First Complaint.

A Prehearing Conference was held on November 25, 2014, before the ALJ. At the hearing, the Complainant and PPL Electric agreed to a litigation schedule that included the use of written testimony. Thereafter, the ALJ issued Prehearing Order #3 on Remand, which

established the litigation schedule and consolidated the proceedings a Docket Nos. C-2011-2273645 and C-2014-2444864.

Pursuant to the litigation schedule established in the Prehearing Order #3 on Remand, the Complainant served the written direct testimony of Jay Larry Moyer on February 2, 2015. On March 6, 2015, PPL Electric served PPL St. No. 1, the written rebuttal testimony and exhibits of Aloysius P. Cannon, Jr. On March 31, 2015, the Complainant served the written surrebuttal testimony of Jay Larry Moyer.

An evidentiary hearing was held before the ALJ on April 21, 2015. At the hearing, PPL Electric and the Complainant moved their respective testimony and exhibits into the record, and conducted cross-examination.

On May 18, 2015, the ALJ issued the Briefing Order on Remand, which established the briefing schedule. The Complainant filed his Main Brief on June 4, 2015. Pursuant to Sections 5.501 and 5.502 of the Commission's regulations, 52 Pa. Code §§ 5.501 and 5.502, and the May 18, 2015 Briefing Order on Remand, PPL Electric herein submits this Reply Brief.

PPL Electric also notes that throughout this long and arduous proceeding it has made numerous attempts to address the Complainant's concerns and settle the case, including formal mediation before the Commission's mediator. These settlement offers were rejected by the Complainant.

For the reasons explained below, the Complainant has failed to meet his burden of proof to demonstrate that PPL Electric's virtual meter aggregation program and billing process violates the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff. The record in this case demonstrates that PPL Electric's conduct and response to the Complainant's issues

have been more than reasonable. For these reasons, the Complainant is not entitled to the relief requested, and the ALJ and Commission should deny the Complaints with prejudice.

III. QUESTIONS PRESENTED

1. Whether the Complainant met his burden of proof to demonstrate that PPL Electric's virtual meter aggregation program and billing process violates the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff.

   Suggested answer: *In the negative.*

2. Whether the Complainant met his burden of proof to demonstrate that his detached solar array should be billed under Rate Schedule RS.

   Suggested answer: *In the negative.*

3. Whether the Complainant met his burden of proof to demonstrate that he should not pay the customer and demand charges associated with his detached solar array.

   Suggested answer: *In the negative.*

4. Whether the Complainant is entitled to the refunds, damages, and civil penalties requested?

   Suggested answer: *In the negative.*

IV. BURDEN OF PROOF

Under Section 332(a) of the Public Utility Code, 66 Pa.C.S. § 332(a), "the proponent of a rule or order has the burden of proof." It is well established that "[a] litigant's burden of proof before administrative tribunals as well as before most civil proceedings is satisfied by establishing a preponderance of evidence which is substantial and legally credible." *Samuel J. Lansberry, Inc. v. Pa. PUC*, 578 A.2d 600, 602 (Pa. Cmwlth. 1990). The preponderance of evidence standard requires proof by a greater weight of the evidence. *Commonwealth v.*

Williams, 557 Pa. 207, 732 A.2d 1167 (1999). This standard is satisfied by presenting evidence more convincing, by even the smallest amount, than that presented by another party. *Brown v. Commonwealth*, 940 A.2d 610, 614 n.14 (Pa. Cmwlth. 2008).

If the party seeking a rule or order from the Commission sets forth a *prima facie* case, then the burden shifts to the opponent. *MacDonald v. Pa. R.R. Co.*, 348 Pa. 558, 36 A.2d 492 (1944). Establishing a *prima facie* case requires either evidence sufficient to make a finding of fact permissible or evidence to create a presumption against an opponent which, if not met, results in an obligatory decision for the proponent. Once a *prima facie* case has been established, if contrary evidence is not presented, there is no requirement that the party seeking a rule or order from the Commission must produce additional evidence to sustain its burden of proof. *See Replogle v. Pa. Elec. Co.*, 54 Pa. PUC 528, 1980 Pa. PUC LEXIS 20 (Order Entered Oct. 9, 1980); *see also Dist. of Columbia's Appeal*, 343 Pa. 65, 21 A.2d 883 (1941); *Application of Pennsylvania-American Water Company for Approval of the Right To Offer, Render, Furnish or Supply Water Service to the Public in Additional Portions Of Mahoning Township, Lawrence County, Pennsylvania*, Docket No. A-212285F0148, 2008 Pa. PUC LEXIS 874 (Opinion and Order entered Oct. 29, 2008).

The Complainant has filed two Complainants alleging that PPL Electric failed to properly aggregate hs virtual net meter aggregation accounts, and challenging the accuracy and content of PPL Electric's virtual net meter aggregation billing content and processes. Thus, as the proponent of a rule or order in this case, the Complainant has the burden of proof in this case.

Importantly, however, the fact that the Complainant is unhappy with or misunderstands PPL Electric's virtual meter aggregation program and billing process is not sufficient to meet his burden of proof. Rather, the Complainant must demonstrate by a preponderance of evidence that

PPL Electric's virtual meter aggregation program and billing process violates the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff. *See* 66 Pa. C.S. § 701 (any offense alleged by the Complainant must be a violation of the Public Utility Code, the Commission's regulations, or a Commission order); *Shank v. PPL Elec. Utils. Corp.*, Docket No. C-2009-2087300, 2009 Pa. PUC LEXIS 1624, at *7 (Order Entered Aug. 31, 2009) (citations omitted) (a Complainant bears the burden to prove the utility "was responsible for the problems alleged in his Complaint through as violation of the Public Utility Code or a Regulation or Order of the Commission"); *accord Vermeychuk v. PECO Energy Co.*, Docket No. C-2013-2388323, 2015 Pa. PUC LEXIS 126 at *18 (Mar. 23, 2015) (Initial Decision) (Fordham, A.L.J.) (citation omitted).

V. SUMMARY OF ARGUMENT

In his Main Brief, the Complainant asserts that PPL Electric must implement an automated billing process for virtual meter aggregation, institute a single account for his residence and detached solar array with only one set of distribution charges, and include numerous line items of information in its bills for virtual meter aggregation customer-generators. The Complainant's arguments are fundamentally flawed and should be rejected.

First, the Complainant avers that the Company should be directed to upgrade its billing system to permit automated billing. No applicable law or regulation requires an automated billing process to be used for virtual meter aggregation. The Company's billing system, as currently configured, simply cannot process virtual meter aggregation customer-generators' accounts on an automated basis. As a result, an in accordance with Commission precedent, the Company had to develop and utilize a manual billing process for virtual meter aggregation. PPL Electric's personnel have fine-tuned this inexpensive manual billing process, and it accurately calculates and applies credits for the electricity generated by virtual meter aggregation customer-

generators. Therefore, no need exists to upgrade the Company's billing system to permit automation for virtual meter aggregation. Furthermore, such an upgrade would benefit only 98 customer-generators, of which only the Complainant has filed a formal complaint about the manual billing process. Accordingly, the Company's decision to not undertake the costly upgrade required to automate the virtual meter aggregation clearly is reasonable.

In addition, the Complainant argues that he should have a single account and bill for his residence and detached solar array, which are virtually aggregated. Nothing in the Company's Commission-approved tariff or any applicable laws or regulations requires a single account or single bill for virtual meter aggregation customer-generators' accounts. PPL Electric properly established two separate accounts (one for the residence and one for the detached solar facilities) because each property possesses a separate meter and separate point of interconnection. The Company's policy is to institute a separate account for each meter that has a different point of interconnect. Moreover, each property uses PPL Electric's electric distribution system in different ways, with the residence only receiving electricity from PPL Electric's system, and the detached solar array both receiving electricity from and supplying electricity to the system. As a result, PPL Electric, in accordance with the requirements of its Commission-approved tariff, instituted two separate accounts for the Complainant's residence and detached solar array.

Furthermore, the Complainant believes that his detached solar array should receive service under Rate Schedule RS, not Rate Schedule GS-1, and that PPL Electric should not impose distribution charges on the account for his detached solar array. However, PPL Electric is required by law to adhere to its tariff. The Company's tariff sets out specficie requirements for a customer's facilities to qualify for Rate Schedule RS, and the Complainant's solar facilities fail to satisfy those requirements. In contrast, the Complainant's detached solar array meets all of

the qualifications for Rate Schedule GS-1. PPL Electric's Commission-approved tariff also sets forth the distribution charges that are to be imposed on Rate Schedule GS-1 accounts. All other customers that have multiple accounts are required to the distribution charges for each account, not just the Complainant. Therefore, the Company must adhere to its tariff and impose these distribution charges on the Complainant's account for his detached solar array.

The Complainant also avers that numerous line items of additional information should appear on his bills. Nothing in its Commission-approved tariff or any applicable law or regulation requires PPL Electric to present all of the information requested by the Complainant. Moreover, it is uncontested that PPL Electric has offered to provide the very same monthly calculation sheets it uses to determine and apply the Complainant's credits for excess generation on a monthly basis. These calculation sheets contain all of the information requested by the Complainant. However, the Complainant maintains that his concerns will only be satisfied if the information is presented on the bill. In other words, even if the Complainant were provided all the information he wants, his Complaints would still not be satisfied. Further, to the extent there have been alleged inconsistencies in the information presented on the Complainant's bills, the Company has explained or refuted those inconsistencies.

Additionally, the Complainant takes issue with certain terminology used by the Company in its bills. No applicable law or regulation prohibits the use of this terminology. Moreover, the Company utilizes this terminology to help convey the complex concepts involved with virtual meter aggregation to customer-generators. Nothing is ambiguous about these terms, and the Company has fully explained their meaning.

Finally, the Complainant has proposed certain relief and penalties that are unreasonable. The Complainant has failed to meet his burden to demonstrate that PPL Electric has violated any

provision of the Public Utility Code, the AEPS Act, the Commission's regulations, or PPL Electric's tariff and, therefore, the Complainant is not entitled to any relief. Further, the Commission has previously ruled that parties cannot present new arguments or proposals for the first time in the briefing stage. Accordingly, the Complainant is not permitted to request relief and penalties that were not specified or quantified in his written testimony or at the hearing. Moreover, the proposed penalties are unreasonable because, among other things, the Company has gone above and beyond to try to resolve the Complainant's issues, including: permitting the Complainant to continue participating in virtual meter aggregation despite having no independent load at his solar facilities; agreeing to compensate the Complainant $738.98 for the period during which he was generating electricity but not participating in virtual meter aggregation; and repeatedly offering to provide the calculation sheets that contain all of the information requested by the Complainant on a monthly basis.

For these reasons, as explained in more detail below, the Complainant has failed to meet his burden of proof and, therefore, the Complaints should be denied.

VI. ARGUMENT

A. BACKGROUND

1. Overview of Net Metering and Meter Aggregation

Net metering is the process by which an eligible renewable customer-generator's account is credited for generating electricity from a qualifying Tier I or Tier II alternative energy source pursuant to the AEPS Act and the Commission's net metering regulations. (PPL St. No. 1, p. 5) A basic example is a customer who installs solar panels on his or her roof to generate electricity. (PPL St. No. 1, p. 5) Net metering allows customer-generators to use the electricity produced from eligible alternative energy systems to offset all or a portion of the customer-generator's electric usage. (PPL St. No. 1, p. 5) If a customer-generator supplies more electricity to the

electric distribution system than the EDC delivers to the customer-generator in a given billing period, the excess generation is carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate, which includes the distribution charge, transmission service charge, generation supply charge, and any riders applicable to the customer rate schedule. (PPL St. No. 1, pp. 5-6) Any excess, unused generation continues to accumulate until the end of the PJM Interconnection LLC ("PJM") Planning Period (May 31st of each year) and is then cashed out at the electric distribution company's applicable Price-to-Compare ("PTC") and paid to the customer-generator. (PPL St. No. 1, p. 6)

Under net metering, the renewable customer-generator is equipped with a single bidirectional meter that can measure and record the flow of electricity in both directions at the same rate, meaning when electricity is used, it runs forward and when electricity is generated, it runs backward. (PPL St. No. 1, p. 6) When a single bidirectional meter is used for purposes of net metering, the Company issues a single bill to the customer-generator.[2] (PPL St. No. 1, p. 6)

On the other hand, meter aggregation is the process by which an eligible renewable customer-generator is able to aggregate the properties he or she owns or leases and operates for purposes of net metering. (PPL St. No. 1, p. 7) Under the AEPS Act, and as set forth in PPL Electric's Commission-approved tariff, the properties must be located within two miles of the boundaries of the renewable customer-generator's property and located within the Company's service territory. (PPL St. No. 1, p. 7) There are two types of meter aggregation: (1) physical meter aggregation; and (2) virtual meter aggregation. (PPL St. No. 1, p. 7)

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[2] Although a single bidirectional meter is traditionally used, a dual-meter arrangement can be substituted at PPL Electric's expense. (PPL St. No. 1, p. 6) A dual-meter is a single meter that has two channels: one that records the customer-generator's total usage and another that records the customer-generator's total generation. (PPL St. No. 1, p. 6) Under this scenario, the customer-generator receives one bill because there is only one meter. (PPL St. No. 1, p. 6)

Physical meter aggregation is when a customer-generator, at his or her expense, physically connects the generating facilities to his or her single meter. (PPL St. No. 1, p. 7) Since the facilities are physically connected to a single bidirectional meter on the customer-generator's other property, it operates like traditional net metering. (PPL St. No. 1, p. 7) Under this scenario, the customer-generator receives one bill for the single meter. (PPL St. No. 1, p. 7)

In contrast, virtual meter aggregation is when the customer-generator's generating facilities and other property are not physically connected to the same meter. (PPL St. No. 1, p. 7) Instead, the Company measures the electricity generated and used at the generating facilities (the solar facility for purposes of the Complainant) and aggregates that with the customer's usage at his or her other property (the residential account for purposes of the Complainant). (PPL St. No. 1, p. 7) Under this scenario, there are two different meters with two entirely different points of interconnection: (1) a bidirectional meter at the generating facilities that measures both usage and generation of electricity; and (2) a standard smart meter at the usage account (typically a residence) that measures the customer's usage; (PPL St. No. 1, pp. 7, 10) Because there are two separate meters employed for virtual net meter aggregation, the customer-generator receives two separate bills (i.e., one for each metered account). (PPL St. No. 1, p. 7)

2. Overview of PPL Electric's Billing Processes for Net Metering and Meter Aggregation

The Company uses an automated billing process for traditional net metering and physical aggregation and a manual billing process for virtual meter aggregation due to: (1) the differences between traditional net metering and physical meter aggregation versus virtual meter aggregation; and (2) the limitations of PPL Electric's billing system. (PPL St. No. 1, pp. 8-10) As explained above, traditional net metering and physical meter aggregation both involve the use of a single bidirectional meter. PPL Electric reads that single bidirectional meter using an

automated process to determine if the customer-generator has produced more or less electricity than he or she has used in a given billing period. (PPL St. No. 1, p. 8) When the net metering or physical meter aggregation customer-generator uses more electricity than the amount generated during a monthly billing period, the customer-generator receives a bill that reflects the difference between the amount generated and the amount used. (PPL St. No. 1, p. 8) When the net metering or physical meter aggregation customer-generator generates more electricity than the amount used during a billing period, the excess generation is banked, and the customer-generator is billed for zero kilowatt hours ("kWh") for that billing cycle.[3] (PPL St. No. 1, p. 8) In subsequent billing cycles, if the net metering or physical meter aggregation customer-generator does not produce excess generation, the banked excess generation offsets the customer-generator's usage in subsequent months. (PPL St. No. 1, pp. 8-9) At the end of the year, if there is any unused excess generation remaining in the bank, the generation is cashed out and paid to the customer-generator. (PPL St. No. 1, p. 9)[4]

In contrast to traditional net metering and physical meter aggregation, virtual meter aggregation requires multiple meters because there are two points of interconnection with the electric system– there is a meter at the generating facilities and a meter at the usage account. (PPL St. No. 1, p. 10) As a result, PPL Electric must "virtually" aggregate the excess generation measured from the generating facility meter with the usage measured from the usage account meters. (PPL St. No. 1, p. 10) Unlike the single bidirectional meters used for traditional net

[3] Although the customer-generator receives a bill for zero kWh for any billing period that the customer-generator produced more electricity than used, under PPL Electric's Commission-approved tariff, the customer-generator remains responsible for the customer charge, demand charge, and other applicable charges under the applicable rate schedule. (PPL Ex. APC-1)

[4] Prior to January 2011, PPL Electric's Commission-approved tariff provided that this cash-out occurred at the end of the calendar year. However, after January 2011, PPL Electric's Commission-approved tariff provided that the cash-out would occur after the end of the PJM planning year. The PJM planning year ends May 31st of each year. (PPL St. No. 1, p. 9)

metering and physical meter aggregation, the Company's billing system currently is not capable of aggregating these two separate accounts through an automated process for two reasons. (PPL St. No. 1, pp. 10-11; Tr. 218)

First, the billing system cannot currently transfer and aggregate data among separate meters -- data from the generating facility to the usage account or vice versa. (PPL St. No. 1, p. 10) Second, the generating facilities often generate more electricity than they use. As a result, the meter will run backwards and produce a negative meter read (i.e., negative usage). However, PPL Electric's billing system cannot accommodate negative meter reads. (PPL St. No. 1, pp. 10-11)

For these reasons, the Company utilizes an inexpensive manual process to track and record the generation facility account's generation in excess of its usage (i.e., "excess generation") and aggregates it with the other account's usage. (PPL St. No. 1, p. 11; Tr. 188) The customer-generator's usage and generation is tracked, offset, banked, and cashed out as appropriate and required by the Commission's regulations. (PPL St. No. 1, pp. 9-10)

Under PPL Electric's manual billing process for virtual meter aggregation, the meters for the generation facility account and usage account(s) are read on the same day. (PPL St. No. 1, p. 11) The Company measures the generation at the generation facility account and aggregates it with the usage at the other account. (PPL St. No. 1, p. 11) The excess generation is applied up to the usage metered at each other account. (PPL St. No. 1, p. 11) This allocation is done on a one-to-one kWh basis, meaning that one kWh generated at the generation facility account is applied as one kWh at the other account. (PPL St. No. 1, p. 11) The excess generation being applied appears as an "excess credit" on the other account's bill. (PPL St. No. 1, p. 33; *see, e.g.*, Moyer Exhibit JLM-266) The "excess credit" is a dollar amount that equals the value of the

excess generation being applied times the other account's full retail rate during the applicable billing cycle. (PPL St. No. 1, p. 33) Any unused excess generation that remains after applying the excess credit is then banked in kWhs and carried forward to offset usage in subsequent billing cycles. (PPL St. No. 1, p. 13) Any banked generation remaining at the end of the PJM planning year (i.e., May 31st of each year) is then cashed out at the PTC for the generation facility account. (PPL St. No. 1, p. 13)

For virtual meter aggregation customer-generators, PPL Electric uses computer software to track, record, store, and calculate the excess generation produced, the credits applied, and the cash outs paid. For each virtual net meter aggregation customer, the Company maintains a computer generated spreadsheet that tracks, on a monthly basis, the excess generation at the generation facility account and the allocation of excess kWh to each usage account.[5] (PPL St. No. 1, p. 11)

3. History of the Complainant's Virtual Meter Aggregation Accounts

The Complainant currently is a customer-generator participating in PPL Electric's virtual meter aggregation program. He was one of the first customer-generators to request virtual meter aggregation on PPL Electric's system, originally being permitted to participate in March 2009. (PPL St. No. 1, p. 18) At the time, there was no monthly crediting, and Mr. Moyer's account was cashed out after the December 2009 billing period (paid in April 2010). Mr. Moyer received a cash-out of $493.71, which was the value of excess generation produced from March 2009

[5] PPL Electric has a manual that details the process for its staff to access, update, and post the spreadsheet. (PPL Ex. APC-2) As seen in Exhibit APC-2, PPL Electric's personnel retrieve the relevant meter readings from the generation account and then input the meter readings from the generation account into the spreadsheet. (PPL St. No. 1, pp. 11-12) Next, the employee obtains the total usage in kWh for each usage account and inputs those values into the spreadsheet. (PPL St. No. 1, p. 12) The formulas in the spreadsheet then automatically calculate the credits owed for that billing cycle. (PPL St. No. 1, p. 12)

through December 2009,[6] plus an additional 512 kWhs that were on a meter that was replaced. The bank of credits was zeroed after the December 2009 billing period. (PPL St. No. 1, p. 22; PPL Ex. APC-5)

From January 2010 through May 2010, PPL Electric continued virtual net meter aggregation and applied a credit of $151.54 in May 2010. (PPL St. No. 1, p. 22; PPL Ex. APC-5) However, in May 2010, the Company determined that the Complainant's alternative energy system did not qualify for virtual meter aggregation because it did not have load independent of the alternative energy system, which is often referred to as "non-generational load." [7] (PPL St. No. 1, p. 19) The only additional load at the generating facilities was a light that would not exist but for the presence of the generating facilities; therefore, there was no load independent of the generating facilities. (PPL St. No. 1, p. 19) Consequently, the Complainant was removed from virtual meter aggregation effective June 2010. (PPL St. No. 1, p. 18) The $151.54 credit applied in May 2010 remained on the Complainant's bills and was carried forward and credited against the total bill as a dollar amount in the subsequent months until the negative balance was exhausted. (PPL St. No. 1, p. 23; PPL Ex. APC-5)

Subsequently, on or about December 16, 2010, the Complainant filed an Informal Complaint about his removal from virtual meter aggregation. (PPL St. No. 1, p. 18) To settle the dispute, PPL Electric agreed in June 2011 to allow the Complainant to participate in virtual meter aggregation. (PPL St. No. 1, p. 18) Thus, the Complainant was on virtual meter aggregation from March 2009 through May 2010, off virtual meter aggregation from June 2010

[6] Under the tariff in effect at the time, the annual cash out period was on a calendar year basis, and credits were cashed out at the full retail rate rather than the PTC.

[7] The requirement for load independent of the alternative energy system was recently reiterated in the Commission's Proposed Rulemaking Order issued on February 20, 2014, at Docket No. L-2014-2404361, and the Commission's *Advanced Notice of Final Rulemaking Order* issued on April 23, 2015, at Docket No. L-2014-2404361.

through December 2010, and back on virtual meter aggregation from January 2011 to the present.[8] (PPL St. No. 1, p. 18)

PPL Electric applied credits to the Mr. Moyer's account in September 2011 for the excess generation produced by his solar facility since January 2011, *i.e.*, since the time he filed his Informal Complaint. PPL Electric again applied credits to Mr. Moyer's account in December 2011. Also in December 2011, the Company shifted to crediting on a monthly basis. Each month thereafter, PPL Electric credited Mr. Moyer's bill on a monthly basis and, when applicable, cashed out the banked net excess generation at the end of the PJM planning year. (PPL St. No. 1, pp. 23-14; PPL Ex. APC-5)

PPL Electric Exhibit APC-5 shows how the manual billing process has been used to aggregate, credit, and bill the Complainant's accounts. PPL Electric Exhibit APC-5 demonstrates that using the manual billing process, the Company has calculated and applied credits appropriately from when the Complainant began participating in virtual meter aggregation in March 2009 to February 2015. (PPL St. No. 1, p. 21) PPL Electric Exhibit APC-5 catalogs all of the relevant information for each of the Complainant's monthly bills from March 2009 to February 2015:

- Column A - The applicable billing date.
- Column B - The meter reading for the solar account (solar facilities) as registered on the single bidirectional meter used at the solar account.

[8] Despite not having any independent load during the period of June 2010 through December 2010, PPL Electric has agreed to fully compensate the Complainant for the value of any credits he would have but did not receive for the excess generation produced since March 2009, when his system initially began participating. (PPL St. No. 1, p. 20) Therefore, the Company has calculated the amount owed to the Complainant for June 2010 to December 2010. The difference in what Mr. Moyer actually received and what he could have received if his alternative energy system was eligible and participated in virtual net meter aggregation during the entire time period from March 2009 through February 2015 is $559.95, which with interest is $738.98. (PPL St. No. 1, p. 24; PPL Ex. APC-5) The Complainant does not dispute this amount and PPL Electric intends to honor its offer.

- Column C - The excess generation (kWh) produced at the solar account, determined from the meter reading at the solar account. This is determined from the difference between the meter reading in the current billing cycle and the meter reading from the prior billing cycle. For example, for excess kWh hours for May 2009 is the difference between the April 2009 meter read (20017) and the May 2009 meter read (19448) = 569 kWh.[9]

- Column D - The full retail rate applicable to the residential account (in cents per kWh) used to calculate the value of the excess generation produced by the solar account.

- Column E - The monthly value of the excess generation in dollars. This is calculated by multiplying the total excess generation for the month (Column C) by the full retail rate applicable during that month (Column D).

- Column F - The meter reading at the residential account.

- Column G - The usage (kWh) at the residential account. This is determined from the difference between the meter reading in the current billing cycle and the meter reading from the prior billing cycle.

- Column H - The credits (kWh) applied (if any) to the residential account. This column reflects that credits that were actually applied to the Complainant's account.

- Column I - The dollar value of any credits applied to the residential account (Column H) at the full retail rate (Column D).

- Column J - The balance of any remaining net excess generation (kWh) that is banked at the solar account, carried forward, and applied to offset usage in subsequent billing cycles. This is determined from the balance of any credits due in the prior month (Column J) plus the excess generation produced during the monthly billing cycle (Column C) minus any usage at the residential account (Column G).

- Column K - The cents per kWh used to calculate the cash-out.

- Column L - The value of the cash-out in dollars actually issued to the Complainant.

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[9] If the bidirectional meter is running backward (a lower meter read than the month before), then the alternative energy system is producing more electricity than it is consuming, *i.e.*, excess generation. If, however, the bidirectional meter is running forward (a higher meter read than the month before), then the alternative energy system is consuming more electricity than it is producing.

- Column M - The available residential account balance shown on the Complainant's bill.
- Column N - Comments to help explain what occurred during that period.

PPL Electric Exhibit APC-5 accurately reflects how the Company has calculated and applied credits for the Complainant's excess generation.

For example, in January 2015, the Complainant had excess generation of 221 kWh at his solar account (Column C). His bank at the end of the prior billing cycle (December 2014) contained net excess generation of 707 kWh (Column J). Therefore, he had a maximum of 928 kWh that he could use to offset his usage in the January 2015 billing cycle. The Complainant only used 907 kWh at his residential account. Thus, the full 907 kWh of usage at the residential was offset, and the Complainant received a credit of $117.08 to that effect (i.e., 907 kWh multiplied by the full retail rate of 12.909 cents per kWh). It should be noted, however, that the credit of $117.08 does not appear on the January 2015 bill; rather, due to the one-month delay explained below, it appears on the February 2015 bill. The remaining 21 kWhs for January 2015 were then banked at the solar account for use in a subsequent billing cycle.

B. PPL ELECTRIC'S VIRTUAL METER AGGREGATION PROGRAM AND BILLING PROCESS DOES NOT VIOLATE THE PUBLIC UTILITY CODE, AEPS ACT, COMMISSION REGULATIONS, OR PPL ELECTRIC'S TARIFF

In his two Complainants, the Complainant alleges that that PPL Electric failed to properly aggregate his virtual net meter aggregation accounts, and challenges the accuracy and content of PPL Electric's virtual net meter aggregation billing content and processes. As explained above, in order to meet his burden of proof, the Complainant must demonstrate by a preponderance of evidence that PPL Electric's virtual meter aggregation program and billing process violates the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff. In an effort to meet his burden, the Complainant advances several arguments.

First, the Complainant contends that PPL Electric is required to automate virtual meter aggregation billing. In support, the Complainant asserts that PPL Electric's manual virtual meter aggregation billing process has been inconsistent and inaccurate. Second, the Complainant contends that PPL Electric is required to issue a single bill for all accounts associated with virtual meter aggregation. Third, the Complaint asserts that PPL Electric's virtual net meter aggregation bills fail to include and disclose all the required data. The Complainant provides a list of line items that he believes should be presented on his bills.

For the reasons, explained below, the Complainant has failed to meet his burden to demonstrate that PPL Electric's virtual meter aggregation program and billing process violates the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff.

1. Automated Billing Process for Virtual Meter Aggregation Is Not Required under Applicable Law

Nothing in the AEPS Act, the Public Utility Code, or the Commission's regulations that requires EDCs to use an automated process. Even the Complainant readily concedes that there is no mention of automated or automation in the AEPS Act or the Commission's regulations and that, to his knowledge, there is nothing in the statute or regulations that requires an automated billing process for virtual meter aggregation or that prohibits a manual billing process for virtual meter aggregation. (Tr. 76, 88) Rather, the Complainant solely relies on his claims that the manual billing process violates the Public Utility Code and that an automated process presents certain advantages over a manual one. (Moyer MB, pp. 20-22) However, the Complainant's wide-sweeping claims in his Main Brief are groundless.

As mentioned previously, PPL Electric's billing system, as currently designed, simply cannot automate virtual meter aggregation. As a result, PPL Electric uses an inexpensive manual billing process for virtual meter aggregation described above. (PPL St. No. 1, p. 10; Tr. 188)

This manual billing process is reasonable because no applicable law or regulation requires an automated billing process to be used for virtual meter aggregation. Moreover, the Company's manual billing process calculates and applies the credits owed to virtual meter aggregation customer-generators in accordance with its Commission-approved tariff and applicable law.

The Complainant also fails to acknowledge that the Commission encourages public utilities to utilize manual processes when automated processes are unavailable, too costly, or incapable of performing the necessary functions.[10] For example, the Commission declared in *Duquesne* that "[e]ven if Duquesne realizes issues" when implementing its new billing system, "Duquesne should still be able to effectuate one off-cycle and one on-cycle switch per billing period for most of its customers by December 15, 2014, even if this requires manual, non-automated means." *Duquesne*, p. 10 (emphasis added).

It is undisputed that the Company's current billing system has been incapable of automating virtual meter aggregation. Thus, consistent with Commission precedent, it was reasonable for PPL Electric to implement a manual billing process. In short, the Company is not required to implement an automated billing process for virtual meter aggregation, the manual billing process comports with the applicable law and the Company's Commission-approved tariff, and PPL Electric's decision to utilize a manual billing process aligns with the Commission's recent decisions supporting the use of manual processes when automated ones are not readily available.

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[10] *See Petition of Duquesne Light Co. for a Waiver of the Three Business Days Switching Requirements under 52 Pa. Code § 57.174*, Docket No. P-2014-2448863, at pp. 8, 10 (Order Entered Dec. 4, 2014); *Petition of Pike County Light & Power Co. for Waiver of Regulations Regarding Standards for Changing Customer's Electric Generation Supplier, 52 Pa. Code §§ 57.171-57.180*, Docket No. P-2014-2437967, at p. 10 (Order Entered Nov. 25, 2014); *Petition of UGI Utilities, Inc. – Electric Division to Defer Implementation of Portions of Revised Standards for Changing a Customer's Electric Generation Supplier at 52 Pa. Code §§ 57.174 and 57.180 and to Implement an Alternative Method to Address Certain Variable Rate Disputes*, Docket No. P-2014-2449397, at pp. 10-11 (Order Entered Dec. 4, 2014).

Nevertheless, the Complainant contends that the Company's decision not to upgrade its billing system is unreasonable because: (a) automation presents numerous advantages over a manual billing process; (b) the manual billing process has produced errors on his bills; (iii) the manual billing process has been inconsistent; (c) the manual billing process uses inconsistent terminology; (d) the one-month delay produced by the manual billing process violates the Commission's regulations and produces incorrect bills; and (e) the cost to implement an upgrade that benefits only 98 customer-generators would not be too expensive when the costs are borne by all ratepayers. (Moyer MB, pp. 15-16, 20-21) As explained below, the Complainant's arguments should be rejected, and the Company's decision not to upgrade its billing system to accommodate automation for virtual meter aggregation is reasonable.

a. The Complainant's Claims about the Advantages of Automation Are Overstated

The Complainant's assertion that automation presents numerous advantages over a manual billing process is based on overstated claims that have no factual support in the record. For instance, the Complainant posits that "[m]any who have been dissuaded by reports of unreliable bills and cryptic data would be reassured, and reconsider the option." (Moyer MB, p. 21) Nothing in the record supports the notion that other customers have opted not to participate in virtual meter aggregation because of the manual billing process. Indeed, the only evidence of record demonstrates that no customers have raised any concerns or filed any complaint regarding the automation of virtual meter aggregation. (PPL St. No. 1, p. 37) Likewise, the Complainant presented no evidence that an automated process would produce one consolidated bill that

presents "[a]ll of the pertinent data" he seeks.[11] (Moyer MB, p. 21) Thus, the Complainant's arguments should be rejected.

b. PPL Electric's Manual Billing Process Has Properly Calculated and Applied the Complainant's Credits

PPL Electric has properly calculated and applied the Complainant's credits for generating electricity using its manual billing process. (PPL Ex. APC-5) Although there were inconsistencies in the early years of the virtual meter aggregation program, it is important to recall that the Complainant began participating in the program when the Company was learning how to implement virtual meter aggregation and overcome the hurdle of its billing system's inability to aggregate virtual meter aggregation customer-generators' accounts on an automated basis. (PPL St. No. 1, p. 10; Tr. 208) Consequently, PPL Electric and its personnel experienced difficulties in trying to find the best way to process the billing for those customer-generators, which led to some inconsistencies in the billing process for virtual meter aggregation customer-generators. (PPL St. No. 1, p. 15) Further, over the years, the Company has made necessary revisions to its Commission-approved tariff to comply with changes to the Commission's regulations for net metering. (PPL St. No. 1, p. 15) These tariff revisions concerned PPL Electric's net metering credit and compensation provisions and further contributed to inconsistencies in the billing process.[12] (PPL St. No. 1, p. 15) Notwithstanding, the Company

[11] As discussed in Section VI.B.3, nothing in the AEPS Act, the Public Utility Code, or the Commission's regulations requires that the Company present all of the information sought by the Complainant on each bill.

[12] Specifically, prior to the net metering tariff revisions effective January 1, 2011, the Company would fully credit the customer-generator's account for his or her generation up to the kWh of usage during that billing cycle and bank any net excess generation. (PPL St. No. 1, p. 16; *see* PPL Ex. APC-3) Any banked generation would not apply in subsequent billing cycles and would be cashed out based on the full retail value at the end of the calendar year. (PPL St. No. 1, p. 16; *see* PPL Ex. APC-3) Effective January 1, 2011, the customer would still receive a credit for his or her generation up to the kWh of usage during that billing cycle, and any net excess generation in a billing cycle would be banked. (PPL St. No. 1, p. 16; *see* PPL Ex. APC-4) However, that net excess generation (kWh) would be carried forward, added to any excess generation in subsequent billing cycles, and applied at the full retail rate. (PPL St. No. 1, p. 16; *see* PPL Ex. APC-4) Then, any remaining net excess generation in the bank would be

has accurately calculated and applied credits for the Complainant's generation, as seen in PPL Electric Exhibit APC-5.

The Complainant alleges, however, that the Company has not clarified the crediting and billing history for his accounts and that PPL Electric Exhibit APC-5 repeats the "same omissions and discrepancies" in Moyer Exhibit JLM-35. (Moyer MB, pp. 16, 19-20) This is patently false. As seen in the following list, the Company has presented information at the hearing and in the comments to Exhibit APC-5 that addresses the alleged discrepancies and errors noted by the Complainant in his Main Brief:

1. Contrary to the Complainant's assertion, Exhibit APC-5 shows the actual meter readings for the solar account that are used for that specific billing period. (PPL St. No. 1, p. 21) The "high reading" on the solar account's meter is used during the manual billing process because: (1) the solar account's meter runs backward due to the solar facilities often generating more electricity than they use; and (2) PPL Electric's billing system cannot track negative usage at the solar account. (PPL St. No. 1, pp. 10-11)

2. The Complainant contends that Exhibit JLM-35 does not contain any payments made by him. (Moyer MB, p. 19) While Exhibit JLM-35 did not show the payments by the Complainant, PPL Electric Exhibit APC-5 (the exhibit actually offered into the evidence by the Company) did. In any event, such information is not useful in either: (1) determining the amount owed to the Complainant for the period during which he was not participating in virtual meter aggregation; or (2) providing a complete picture of the crediting and billing history of the Complainant's accounts that is relevant for purposes of this proceeding. PPL Electric Exhibit APC-5, which superseded Exhibit JLM-35, accomplishes both of those tasks. Further, such information is set forth in the Complainant's bills attached to his direct testimony.

3. The Complainant alleges that the meter readings for March, April, and May 2009 are erroneous because at the hearing, Mr. Cannon mentioned there was a meter change in April 2009. (Moyer MB, p. 19). As noted in the "Comments" column in Exhibit APC-5 for the 2009 cash-out row, "an additional 512 kWh was included in the cash-out from a removed meter." (PPL Ex. APC-5) Therefore, Exhibit APC-5 addresses the meter change and demonstrates how the Company properly accounted for it in the cash out for 2009.

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cashed out at the end of the PJM planning year (not the end of the calendar year) at the Company's PTC (not the full retail value). (PPL St. No. 1, p. 16; *see* PPL Ex. APC-4)

4. The Complainant alleges that the meter readings for the solar account in JLM-35 always differ from the readings presented on his solar bills. (Moyer MB, p. 19) PPL Electric has explained that the solar account will often generate more electricity than it uses, which produces negative usage. (PPL St. No. 1, p. 10). The Company's billing system cannot accommodate negative usage at the solar account. (PPL St. No. 1, p. 11) As a result, the meter reading on his solar account will often be the same as the previous month. (Tr. 154-55)

5. The Complainant argues that the credit applied to his residential account ($151.54) in May 2010 does not correspond with the amount shown in Exhibit JLM-35. (Moyer MB, p. 19) Again, as seen in the "Comments" column Exhibit APC-5 and as pointed out to the Complainant at the hearing, "Excess host kWh from January through April 2010 was applied in May 2010 as a total bill credit of $151.54." (PPL Ex. APC-5; Tr. 117)

6. The Complainant contends that the credit applied in September 2011 should have equaled $439.57. (Moyer MB, p. 20) However, the Complainant simply added the values in Column E for January 2011 through August 2011 to derive the $439.57 figure. In actuality, the credit the Company should have applied equals the balance of the bank (3,563 kWh) plus the excess generation for that billing cycle (-6 kWh) times the full retail rate at the residential for that billing cycle (11.718 cents per kWh), or $416.81. (PPL Ex. APC-5). Moreover, although the Complainant did not receive this entire credit then, the leftover generation remained banked and was applied in future billing cycles. (PPL Ex. APC-5)

7. The Complainant alleges that the Company did not apply a credit of $298.74 in September 2011. (Moyer MB, p. 20) Although the September 2011 bill shows an "Excess Credit" of $250.49, the Company in reality applied a credit of $298.74. As shown at the top of page 3 of the Complainant's September 2011 bill, he had a balance from his last bill of $48.25. (Exhibit JLM-231). The Complainant's charges for the September 2011 billing cycle equaled $33.42. (Exhibit JLM-231). Therefore, the total balance to be offset by the credit was $81.67. (Exhibit JLM-231). Since the Complainant's balance after the credit was applied equaled $-217.07, the Company applied a credit of $298.74 (i.e., $81.67 minus $298.74 equals $-217.07). (Ex. JLM-231).

8. The Complainant believes that the credit applied to his residential for August 2013 does not correspond with Exhibit JLM-35. (Moyer MB, p. 20) However, PPL Electric Exhibit APC-5 shows a credit of $24.60 for the August 2013 billing period, which due to the one-month lag explained below, appeared on the September 2013 bill. (PPL Ex. APC-5). Further, the Complainant yet again fails to recognize that the "Comments" column for July 2013 in Exhibit APC-5 notes that he received a credit of $28.03 on July 17, 2013. (PPL Ex. APC-5). This is the credit that appeared on his August 2013 bill.

9. In July 2013, the Complainant notes that no credit appeared on the residential account's bill. (Moyer MB, p. 16) As the Company explained at the hearing, no

credit appeared on the July 2013 bill due to human error, and the clerk responsible was severely reprimanded for that omission. (Tr. 185-86) Moreover, PPL Electric rectified this omission by issuing two credits in August. (Tr. 186; PPL Ex. APC-5)

10. The Complainant states that no bill was issued in September 2013 for his solar account, so he did not pay the bill and was assessed a late payment charge. (Moyer MB, p. 16) PPL Electric notes that during the entire seven-month period of May to December 2013, the Complainant failed to pay his bills. (PPL St. No. 1, p. 31; Tr. 94) None of the amounts he was billed for during this period were in dispute; therefore, he was obligated to pay them when due. (PPL St. No. 1, p. 31) Notwithstanding, all of the late payment charges on the Complainant's accounts were waived by the Company when he filed his Second Complaint. (PPL St. No. 1, p. 31) Therefore, any claim by the Complainant that he was harmed by the alleged lack of a September 2013 bill for his solar account is moot.

In sum, all of the alleged discrepancies and errors noted by the Complainant have been addressed and refuted by the Company. PPL Electric Exhibit APC-5 is an accurate record of the crediting and billing history of the Complainant's accounts. Further, it demonstrates that although the Company encountered difficulties over the years when refining its manual billing process, the Complainant has been appropriately billed for his usage and credited for his generation.

c. The Company Has Explained the Alleged Inconsistencies in the Complainant's Bills

In his Main Brief, the Complainant lists several alleged inconsistencies or omissions concerning the information presented on his bills. (Moyer MB, pp. 13-14) However, the Complainant overlooks the Company's explanations for why such information does or does not appear on the bills. (*See* PPL St. No. 1, pp. 16, 32-33) The Complainant completely ignores these explanations and asserts that there are inconsistencies that remain unexplained.

First, the Complainant states that the number of kWh generated, the kWh used to offset the Complainant's usage, and the kWh carried forward are not shown on his bills. (Moyer MB, p. 13) The Complainant also points out that his solar account's bills show beginning and ending

meter readings that are frequently the same. (Moyer MB, pp. 13-14) Further, the Complainant alleges that no meaningful data is presented on his solar account's bill and that the residential account's bills do not show the excess credit in kilowatt hours. (Moyer MB, p. 13)

In making these arguments, the Complainant disregards the undisputed explanation provided by PPL Electric that the solar account will often generate more electricity than it uses in a billing cycle, thereby producing negative usage. (PPL St. No. 1, p. 10) However, the Company's billing system cannot accommodate a negative usage at the solar account. (PPL St. No. 1, p. 11; Tr. 154-55) Consequently, the solar account's bill cannot show the number of kWh generated and, as a result the beginning and ending meter readings on the bill are often the same. Moreover, the kWh used to offset the Complainant's usage appears on his residential account's bill in the form of the excess credit, albeit in dollars, not kWh. (*See, e.g.*, Moyer Exhibit JLM-266) He need only divide the excess credit by the full retail rate in effect during the billing cycle when that generation was produced to derive the excess credit in kWh.

Second, the Complainant contends that the Commission's regulations require his generation to be presented in cents per kWh under 52 Pa. Code § 54.4(b)(3)(A). (Moyer MB, p. 13) However, the referenced regulation actually requires "[g]eneration charges" to be presented in "dollars or cents per kilowatt hour," not kWhs of electric generation produced by a customer-generator. Such generation charges are properly presented on his bills in cents per kWh. (*See, e.g.*, Moyer Exhibit JLM-266)

Third, the Complainant argues that the bills for his solar facilities only show distribution charges but not generation and transmission charges, as required by 52 Pa. Code § 54.4. (Moyer MB, p. 13) The Company notes that the Complainant does not receive generation and transmission charges on his solar account because he participates in virtual meter aggregation.

Section 75.13 of the Commission's net metering regulations provides that net metering customers will receive the full retail rate for excess generation. 52 Pa. Code § 75.13(c). Notably, the full retail rate is defined to include not only the generation, but also the kWh component of the distribution and transmission charges. *Id.* Consequently, during months when the Complainant's solar facilities produce the same or more electricity than consumed, the kWh component of the distribution and transmission charges will be zero.[13] Therefore, his solar account's bills show all of the necessary information outlined in 52 Pa. Code § 54.4.

Fourth, the Complainant asserts that the solar account's bills are not rendered based on actual meter readings because the meter readings on the bills stay the same for long periods of time and that this is in violation of 52 Pa. Code § 56.262.[14] (Moyer MB, p. 14) The Company has explained that its billing system cannot accommodate the negative usage at the solar account. However, the bidirectional meter at the solar account does in fact record all electricity used and generated by the alternative energy system. (PPL St. No. 1, p. 7) PPL Electric's personnel use this meter reading to determine the amount of electricity used and generated, and then utilize that reading as part of the manual billing process to determine the credits, charges, and banked kWhs each month. (PPL St. No. 1, pp. 11-12) Therefore, while the bills do not show the actual meter readings, the bills are undoubtedly rendered based on the actual meter readings in compliance with the Commission's regulations.

Fifth, the Complainant avers that cash outs of his banked excess generation are not reflected on his bills. (Moyer MB, p. 14) No applicable law or regulation requires the cash outs

[13] As explained below in Section D, the Complainant is still responsible for the non-kWh customer and demand components of the distribution rate.

[14] To be clear, Section 56.262 does not apply here because this case does not involve a wastewater utility, steam heating utility, small natural gas utility, or a customer under the protection of a protection from abuse order. 52 Pa. Code § 56.1(b). Rather, the applicable provision for electric utilities is Section 56.12, which is substantially the same as Section 56.262. *Compare* 52 Pa. Code § 56.12, *with* 52 Pa. Code § 56.262.

to be shown on the Complainant's bills. Further, while such cash outs are not reflected on his bills, the Complainant did receive checks for those cash outs. (*See, e.g.*, Moyer Exhibits JLM-27 and JLM-28) Moreover, all of these cash outs did not affect the Company's ability to accurately track the Complainant's account balances, as seen on PPL Electric Exhibit APC-5. (PPL Ex. APC-5)

Sixth, the Complainant contends that the Company should have credited his residential account on a monthly basis since he began participating in virtual meter aggregation. (Moyer MB, pp. 14-15) However, the Complainant simply refused to acknowledge that the Company's tariff prior to January 1, 2011, did not prescribe monthly crediting of excess generation. (PPL St. No. 1, p. 22) When the Complainant began participating in virtual meter aggregation effective January 2011, the Company applied credits to the Complainant's account in September 2011 and again in December 2011 to compensate the Complainant for the excess generation he produced from January 6, 2011 to August 10, 2011, and from August 10, 2011, to December 9, 2011, respectively. (PPL St. No. 1, p. 23; PPL Electric Exhibit APC-5) Also in December 2011, the Company shifted to crediting on a monthly basis. (PPL St. No. 1, p. 23) Each month thereafter, PPL Electric credited the Complainant's bill on a monthly basis. (PPL St. No. 1, p. 23)

In conclusion, although the information that was presented on PPL Electric's bills for virtual meter aggregation customer-generators has changed somewhat over the years, the Company has explained the reasons for those changes. Although the Complainant may be unhappy that the Company can explain the alleged inconsistencies, this does not mean he gets to ignore this unrefuted evidence. Accordingly, the Complainant's argument should be rejected.

d. Terminology Used in PPL Electric's Bills Is Reasonable

In his Main Brief, the Complainant takes issue with certain terminology used by the Company, specifically "post[ing]" a credit, "render[ing]" a bill, and "excess credit," which he

avers are ambiguous and inconsistent with the Public Utility Code. (Moyer MB, pp. 16-17) The Complainant's arguments are without merit and should be rejected.

As explained previously, there were inconsistencies when the Company first implemented virtual meter aggregation. (PPL St. No. 1, p. 32) Some of the inconsistencies concerned the terminology used by the Company in its bills for customer-generators. (PPL St. No. 1, p. 32) However, similar to the Company's manual billing process, PPL Electric eventually developed consistent terminology that it now utilizes in all of its bills for customer-generators participating in virtual meter aggregation. (PPL St. No. 1, p. 33) PPL Electric currently utilizes consistent terminology in its bills to help convey concepts to its customer-generators.

It also should be noted that there is nothing in the AEPS Act, the Public Utility Code, or the Commission's regulations that prohibit the use of this terminology. In fact, the Commission's regulations utilize some of these terms. *See, e.g.*, 52 Pa. Code 56.11(a) ("A public utility shall render a bill once every billing period to every residential customer in accordance with approved rate schedules."); 52 Pa. Code § 56.12 (stating that "a public utility shall render bills based on actual meter readings by public utility company personnel"). Further, these terms are not ambiguous but, rather, are easily understood. For instance, while the Complainant claims that "post[ing]" a credit is ambiguous, he himself uses the term a couple paragraphs later in his Main Brief. (Moyer MB, p. 17) ("In posting credit to the Complainant's bills, PPL ignores this important distinction.")

Finally, the Company has fully explained what it means by "excess credit" on its bills. The Company uses the term "excess credit" to help convey the concept to a lay person. (PPL St. No. 1, p. 33) This "excess credit" is the "value of the net excess generation during a billing cycle

that is applied to offset a customer-generator's usage," and "equals the value of the net excess generation at the satellite account's full retail rate for that billing cycle." (PPL St. No. 1, p. 33) Therefore, the terminology used by PPL Electric in its bills is consistent, understandable, and compliant with the AEPS Act, the Public Utility Code, and the Commission's regulations.

e. The Complainant's Arguments Regarding the One-Month Delay in Crediting Are without Merit

Pursuant to PPL Electric's manual billing process, the credits are applied to virtual meter aggregation customer-generators' accounts on a one-month delay. (Tr. 146, 153) The delay is caused by the time it takes Company personnel to input the data into the spreadsheet for it to perform the necessary calculations regarding the credits to be applied. (Tr. 153) Regardless, the customer-generator always still receives the credit for the excess generation he or she produces at the full retail for that billing cycle. (Tr. 171) This one-month delay is not an issue for any of the Company's other customer-generators. (Tr. 153) Nevertheless, the Complainant avers that this one-month delay produces incorrect bills and violates the Commission's regulations. (Moyer MB, pp. 15-16) The Complainant's arguments are without merit for several reasons.

First, it is important to note that the one-month crediting delay causes no harm. Whether the customer-generator receives the credit in the same billing cycle as the electricity was generated or in the following billing cycle, the customer-generator still receives the full amount to which he or she is entitled to receive under the Commission's regulations. (Tr. 171) Stated otherwise, the customer-generator receives the full retail value at the time the excess kWhs are generated -- this full retail value is just applied on the next monthly billing period. Therefore, the Complainant suffers no harm by the one-month delay.

Second, the one-month delay does not produce incorrect bills. The Complainant's first contention is that the one-month delay results in the Company not fully zeroing out his banked

net excess generation. (Moyer MB, pp. 15-16) Specifically, the Complainant points out that the credit for May 2013 was applied in June 2013, which is after the annual cash out at the end of the PJM planning year. (Moyer MB, pp. 15-16) The Complainant believes that by applying the credit in June 2013, the Company failed to properly zero-out his banked net excess generation. (Moyer MB, p. 16) The Complainant's argument is completely unfounded. PPL Electric properly calculated the credit for the May 2013 period, and the remaining net excess generation in his bank at the end of May 2013 was cashed out at the PTC. (PPL Ex. APC-5) Moreover, the Complainant fails to recognize that if he were correct, he would be receiving less compensation because he would not be receiving a credit based upon the full retail rate; instead, he would receive a cash out based on the much lower PTC. The Complainant also avers that credit applied is incorrect because the full retail rate is adjusted each quarter. (Moyer MB, p. 16) However, the Complainant fails to recognize that the credit is always based on the full retail rate at the time the electricity is generated, not when the credit is applied. (PPL St. No. 1, p. 12) Therefore, whether the full retail rate is adjusted does not matter.

Third, the one-month delay does not violate any of the Commission's regulations. The Complainant contends that the delay contravenes Sections 56.15(7) and 75.13(c) of the Commission's regulations. (Moyer MB, p. 15); *see* 52 Pa. Code §§ 56.15(7), 75.13(c). Section 56.15(7) requires the bill to state "[t]he total amount of payments and other credits made to the account during the current billing period." 52 Pa. Code § 56.15(7). The Company's bills clearly state the credits that are being applied in the instant billing period. The credits he receives for his excess generation appear as an "Excess Credit" on his monthly bills.

Furthermore, Section 75.13(c) states that "[t]he EDC shall credit a customer-generator at the full retail rate, which shall include generation, transmission and distribution charges, for each

kilowatt-hour produced by a Tier I or Tier II resource installed on the customer-generator's side of the electric revenue meter, up to the total amount of electricity used by that customer during the billing period." 52 Pa. Code § 75.13(c). The Complainant focuses on the final phrase, "during the billing period," and contends that the credit must be applied in the same billing period that the generation is produced and the electricity is used. (Moyer MB, p. 15) However, Section 75.13(c) merely outlines how the credit customer-generators receive is to be calculated. The EDC must measure the generation produced by the customer-generator during the billing cycle, compare it to the electricity used during the billing cycle, and then calculate the credit accordingly based on the full retail rate effective during the billing cycle. *See* 52 Pa. Code § 75.13(c). This is precisely what is done with PPL Electric's manual billing process.

The Complainant also argues that by applying the credit in the next billing cycle, the manual billing process is inconsistent with Section 75.13(c)'s provision that "the excess kilowatt hours shall be carried forward." (Moyer MB, p. 15); 52 Pa. Code § 75.13(c). However, that provision reads in full as follows: "[T]he excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate." 52 Pa. Code § 75.13(c). There is no dispute that PPL Electric's manual billing process banks the net excess generation in kWh, carries it forward, and uses it to offset the customer-generator's usage in the subsequent billing cycle. Therefore, the Company's manual billing process complies with the requirements of Section 75.13(c). Moreover, the Complainant mischaracterizes the language in Section 75.13(c). Specifically, the Complainant avers that Section 75.13(c) "says that only the '<u>Excess</u> kilowatt hours . . . shall be carried forward.'" (Moyer MB, p. 15 (emphasis in original)) However, the word "only" appears <u>nowhere</u> in the regulation. Indeed, nothing in Section 75.13(c) prohibits an EDC from applying the amount of

the credit in the next billing cycle. Therefore, the one-month delay produced by the manual billing process for virtual meter aggregation does not violate the Commission's regulations. Thus, the Complainant's argument regarding the one-month delay should be rejected.

f. The Company's Decision to Not Incur Costly Upgrades that Benefit 98 Customer-Generators Is Reasonable

As explained above, the unrefuted evidence demonstrates that PPL Electric's billing system simply cannot, absent a costly upgrade, do what the Complainant has requested. Notwithstanding, the Complainant avers that the Company should upgrade its billing system and shift the estimated costs onto all of PPL Electric's ratepayers even though it would benefit a very small number of customers (only one of which has filed a formal complaint concerning the manual billing process). (Moyer MB, p. 21; PPL St. No. 1, pp. 37-39) The Complainant's contention is unreasonable and should be rejected.

Initially, the Company estimated that it would require $150,000 to upgrade its billing system to automate virtual meter aggregation. (PPL St. No. 1, pp. 38-39) However, after it submitted rebuttal testimony, PPL Electric in fact tried and was unable to modify its billing system to implement automated virtual meter aggregation as requested by the Complainant. (Tr. 223) As a result, PPL Electric's system cannot do what the Complainant has requested, and it is unknown at this time what upgrades (and the associated costs) would be required to fully implement automated billing for virtual meter aggregation.

Notwithstanding, even if the initial estimate of $150,000 remained valid, which it does not, the upgrade would benefit only 98 virtual meter aggregation customer-generators. (PPL St. No. 1, pp. 38-39) It is entirely unclear whether these costs should be recovered from: (1) its entire customer base; or (2) the 98 customer-generators participating in virtual meter

aggregation.[15] (PPL St. No. 1, p. 38) The Company believes that it would be unreasonable to shift the costs of developing and implementing an expensive automated process that would be used for only 96 customer-generators onto all of PPL Electric's ratepayers. Conversely, PPL Electric submits that imposing the costs of the upgrade on the limited number of existing virtual meter aggregation customer-generators because would erode any benefits they could realize from the program and make the program uneconomical. (PPL St. No. 1, p. 39)

PPL Electric also submits that such an upgrade is unnecessary. As explained above, the Company's manual billing process accurately calculates and applies the credits for customer-generators participating in virtual meter aggregation. Further, the Company has offered to provide the very same calculation sheets PPL Electric uses to calculate and apply the credits to the Complainant each month. (Tr. 218-220) These calculations sheets would contain all of the information requested by the Complainant and enable him to verify that the Company is properly aggregating his accounts using the manual billing process.[16] (Tr. 181-82, 190, 200, 218-220) Given that the manual billing process has been fine-tuned and that the Company is willing to provide the information requested by the Complainant on a monthly basis, the Complainant's requested upgrade for PPL Electric's billing system is unnecessary.

Based on the foregoing, the Company's decision to not upgrade its billing system to accommodate automated billing for 98 virtual meter aggregation customers is reasonable. However, if the Commission sustains the Complaint and orders PPL Electric to undertake this upgrade to its billing system, the Company it should be entitled to recover all of the costs incurred, subject to review in an appropriate Commission proceeding. (PPL St. No. 1, p. 40)

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[15] *See also* 52 Pa. Code § 75.14(e) (permitting the recovery of the "incremental expense" for virtual meter aggregation account processing).

[16] Remarkably, the Complainant maintains that his issue would not be resolved even if he received the exact information and data on a monthly basis used by the Company to calculate his bills. (Tr. 111-12)

2. A Single Bill for All Virtual Meter Aggregation Accounts Is Not Required under Applicable Law

The Complainant avers that he should only have one account and a single bill despite having two meters, each with a separate point of interconnection. (Moyer MB, pp. 9-10) The Complainant's arguments should be rejected for several reasons.

First, there is nothing under the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff that provides that all virtual meter aggregation accounts should be rendered on a single bill. Indeed, the Complainant readily conceded at the hearing that nothing in the AEPS Act or the Commission's regulations mentions a single bill or how many bills may otherwise be involved. (Tr. 85-86) The purpose of virtual meter aggregation is to "virtually" aggregate separate accounts. What the Complainant seeks is not virtual meter aggregation, but actual aggregation.

Second, the Complainant's argument fails to acknowledge that each of his meters has a separate point of interconnection with PPL Electric's electric distribution system. (PPL St. No. 1, p. 26) He takes electricity from and puts electricity back onto the system at the point of interconnect for his solar account, and he takes electricity from the system at the point of interconnect for his residential account. (Tr. 95-96, 117-18) In other words, the Complainant's residence and detached solar array use the Company's electric distribution system in different ways and at different locations. Therefore, the Company properly has established separate accounts for his residence and detached solar array.

Third, the Complainant's principal argument relies on the word "account" not being plural in Section 75.14(e) of the Commission's regulations. (Moyer MB, p. 9); *see* 52 Pa. Code § 75.14(e). The Complainant maintains this position despite acknowledging that as far as he knows, there is nothing in the AEPS Act or the Commission's regulations dictating that only one

account shall be used "apart from this one reference." (Tr. 95) However, the Complainant's interpretation of Section 75.14(e) is erroneous, as illustrated by the Commission's Advance Notice of Final Rulemaking Order. Therein, the Commission states that it "is proposing language to clarify that the meter accounts to be aggregated must be held by the same person or entity." *Id.* at p. 13 (emphasis added). Indeed, the proposed revision to 52 Pa. Code § 75.14(e) reads, "All service locations to be aggregated must be EDC service location accounts held by the same individual or legal entity receiving retail electric service from the same EDC and have measurable load independent of any alternative energy system." *Id.* at p. 26 (emphasis added). Based upon the Commission's proposed revision to Section 75.14(e), which clarifies its application to a virtual meter aggregation customer-generator's "accounts," it is evident that the regulation is not intended to require a single account for virtual meter aggregation.

Fourth, the Complainant belief that he should be issued a single consolidated bill for his two accounts is based upon his incorrect interpretation of "combination of readings and billing" in of 52 Pa. Code § 75.12. (Moyer MB, p. 8) Section 75.12 provides the following definition of "Virtual meter aggregation":

> The combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the EDC's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. Virtual meter aggregation on properties owned or leased and operated by a customer-generator and located within 2 miles of the boundaries of the customer-generator's property and within a single electric distribution company's service territory shall be eligible for net metering.

52 Pa. Code § 75.12. Notably, Section 75.12 does not require EDCs to issue a single consolidated bill. Rather, Section 75.12 requires EDCs to combine the readings and billing of customer-generators participating in virtual meter aggregation by aggregating their usage and

generation appropriately. This is precisely what PPL Electric virtual meter aggregation manual billing process does. (PPL St. No. 1, p. 20-24; PPL Ex. APC-5)

Based on the foregoing, there is simply nothing in the Public Utility Code, AEPS, Commission regulations, or PPL Electric's tariff that requires a single bill for all accounts associated with virtual meter aggregation. The unrefuted evidence demonstrates that the Complainant has two separate meters with entirely different points of interconnection. Under these circumstances, it is entirely appropriate for each separately-metered account to receive individual bills. Accordingly, the ALJ and Commission should reject the Complainant's argument and deny is request for relief.

3. PPL Electric Is Not Required to Provide All of the Information Requested by the Complainant on Its Bills

In his Main Brief, the Complainant details a list of line items that he believes should be presented on his bills. (Moyer MB, pp. 24-25) Specifically, the Complainant requests that the following information be included: (1) a specified, common billing period with beginning and end dates for all aggregated meters; (2) a specified, common meter read date for all aggregated meters; (3) the total kWh used at each meter during the billing cycle; (4) the total kWh generated for the billing cycle[17]; (5) the full retail value in price per kWh that is used to calculate the generation credit; (6) the total value (in dollars and cents) for electricity generated; (7) the total kWh of generation used to offset usage at each meter; (8) the total value (in dollars and cents) of generation being credited during that billing cycle; (9) the total kWh of excess generation that is being banked; (10) the total kWh of banked generation; (11) in the final bill of the PJM planning year, the amount of the cash out and the data supporting the calculation of the cash out; and (12)

[17] The Company notes that the Complainant has an independent side meter that records the generation he produces at his detached solar array. (Moyer Direct, p. 44) ("The Complainant also installed his own independent side meter which has continued to record kilowatt hours of generation since the facility began operating in 2009.")

a current account balance. (Moyer MB, pp. 24-25) The Complainant's arguments should be rejected for several reasons.

First, and importantly, it is undisputed that PPL Electric has repeatedly offered to provide all of the information that the Complainant requests. (Tr. 181-82, 190, 200, 218-20; Moyer MB, pp. 24-25) On a monthly basis, the Company would provide the Complainant with the very same calculation sheets that it uses to calculate and apply the credits to his accounts. (Tr. 218-20) These calculation sheets contain all of the information requested by the Complainant. (Tr. 181-82, 190, 200, 218-220; Moyer MB, pp. 24-25) Inexplicably, the Complainant has refused to accept these calculation sheets, contending that receiving all the information he requests would not satisfy his concerns. (Tr. 111) In short, the Complainant has requested additional information, which PPL Electic clearly has offered to provide, and yet this still does not resolve the Complainant's concerns because it is not in the "packaging" that the Complainant' prefers.[18] The Complainant's position is simply unreasonable and should be rejected.

Second, nothing in the AEPS Act, the Public Utility Code, the Commission's regulations, or PPL Electric's Commission-approved tariff requires all of this information to be presented on the bills. (PPL St. No. 1, p. 34) Indeed, the Complainant agreed that the Commission's regulations do not "cite these separate line items individually" that he has proposed. (Tr. 111) Therefore, this entire list of information need not be presented on the Company's bills for virtual meter aggregation customer-generators.

[18] The Complainant's rejection of PPL Electric's offer is nothing more than semantic argument over "what is a bill". The Complainant's form over substance arguments are unreasonable. Indeed, PPL Electric could just send the Complainant all of the information on his standard bill together with monthly supplemental information in one mailing and put the word "bill" at the top, which seemingly would satisfy his concerns. Further, all of the information the Complainant requests would not fit on a standard bill. PPL Electric has offered Complainant all of the information he has requested and there is no reason why the supplemental information cannot be characterized as part of the "bill" the Company provides.

Second, several pieces of information requested by the Complainant already appear on his bills. For instance, contrary to the assertions of the Complainant, the monthly bills do show the full retail rate in price per kWh for his residential account. (Moyer MB, p. 13; PPL St. No. 1, p. 33) The full retail rate is the total rate charged for a customer's distribution, transmission, and generation, as well as any applicable riders. (PPL St. No. 1, p. 33) As seen in Exhibits JLM 202-266 attached to the Complainant's Direct Testimony, the bills received by the Complainant for his residential account show the price per kWh for distribution, transmission, and generation.[19] (PPL St. No. 1, p. 33) Moreover, the bill for his residential account shows the "excess credit" (in dollars) that is being applied during that billing cycle. (*See, e.g.*, Moyer Exhibit JLM-266) Further, by dividing the "excess credit" by the full retail rate, the Complainant can determine the total kWh of generation used to offset his usage. Additionally both the Complainant's solar account and residential account bills provide his customer account balances. (*See, e.g.*, Moyer Exhibits JLM-170 and JLM-266)

Third, the Complainant's own facilities provide him with information on the electricity he generates. (Moyer Direct, p. 44) The Complainant's independent side meter has recorded the generation produced at his detached solar array since it began operating in 2009. (Moyer Direct, p. 44) Furthermore, the detached solar facility's "own inverter tracks generation and stores data showing kilowatt hours of generation." (Moyer Direct, p. 44) On a monthly basis, the

[19] PPL Electric notes that the full retail rate of the credit applied and the full retail rate that appears in the bills may be slightly different in certain billing cycles because of Commission-approved adjustments to reconcile or true-up over- and under-collections. (PPL St. No. 1, p. 33) These adjustments to the full retail rate are fully approved by the Commission before they are applied to a bill. (PPL St. No. 1, p. 34) If an adjustment goes into effect during the billing cycle, the Company prorates full retail rate for the usage account based upon when the adjustment went into effect. (PPL St. No. 1, p. 34) As a result, the bill for the usage account shows the full retail rate as prorated for that billing cycle. (PPL St. No. 1, p. 34) In contrast, for purposes of crediting the usage account for net excess generation, the Company applies the full retail rate that was in effect at the end of the billing cycle. (PPL St. No. 1, p. 34) Using the full retail rate as of the end of the billing cycle is used to simplify the credit calculation. Therefore, if an adjustment occurs during the billing cycle, the full retail rate on the usage account's bill and the full retail rate used for crediting net excess generation may be slightly different. (PPL St. No. 1, p. 34)

Complainant reports the amount of generation to the Generation Attribute Tracking System. (Moyer Direct, p. 44) Therefore, it is unclear why the Complaint would request the total kWh of generation be presented on his bill when he has two processes that already provide him that information, which he reports monthly.

Fourth, PPL Electric also provides other avenues for its virtual meter aggregation customer-generators to access information on their accounts. PPL Electric's energy analyzer is a web-based product that any of its customer-generators can access and examine their electric use daily. (PPL St. No. 1, p. 34) There also is a virtual net meter aggregation post where a customer-generator participating in that program can see the generation facility account's generation hour by hour each day. (PPL St. No. 1, pp. 34-35) Furthermore, after the end of the 2012 PJM planning year, the Company began sending a calculation sheet used to determine the monthly credits upon customer request. (PPL St. No. 1, p. 35) The Company has continued this practice of providing the worksheet after the end of the PJM planning year upon customer request. (PPL St. No. 1, p. 35)

Based on the foregoing, the Complainant's argument should be rejected because nothing in the applicable laws, regulations, or the Company's tariff requires this information to be on the bills. Further, the Company is more than willing to provide its calculation sheets on a monthly basis, which contain all of the information requested by the Complainant, if this would resolve his concerns. For these reasons, the ALJ and Commission should reject the Complainant's arguments and deny his request for relief.

C. THE COMPLAINANT'S SOLAR FACILITIES ARE NOT ELIGIBLE FOR RATE SCHEDULE RS UNDER PPL ELECTRIC'S COMMISSION-APPROVED TARIFF

The Complainant contends that his detached solar array should be treated as a residential account under Rate Schedule RS. (Moyer MB, pp. 10-11) The record evidence in this case

demonstrates that the Complainant's concerns regarding the rate schedule for his solar facility are directly contrary to PPL Electric's Commission-approved tariff. It is clear that the Complainant's solar facility simply does not qualify for Rate Schedule RS under PPL Electric's Commission-approved tariff. Rather, PPL Electric's tariff requires the Company to place Complainant's detached solar array under Rate Schedule GS-1. (PPL St. No. 1, pp. 27-28)

The Complainant completely fails to discuss PPL Electric's Commission-approved tariff provisions for Rate Schedule RS, which dictate whether a customer qualifies for residential service. Public utilities must strictly adhere to the language in their tariffs, and Commission-approved tariffs have the force and effect of law. *See PPL Elec.*, 912 A.2d 386, 402 (citing 66 Pa. C.S. § 1303 and *Pa. Elec. Co. v. Pa. PUC*, 663 A.2d 281, 284 (Pa. Cmwlth. 1995)). A public utility's tariff is "binding on the customer as well as the utility." *Id.* (citing *Pa. Elec. Co. v. Pa. PUC*, 663 A.2d 281, 284 (Pa. Cmwlth. 1995)).

PPL Electric's Commission-approved tariff outlines several conditions for a customer's property to qualify for Rate Schedule RS. Specifically, the tariff states that Rate Schedule RS applies to single phase electric service for: (1) a single family dwelling and detached buildings when the detached buildings are served at the customer's expense through the same meter as the single family dwelling; (2) a separate dwelling unit in an apartment house; (3) a single farm dwelling and general farm uses when general farm uses are served at the customer's expense through the same meter as the single farm dwelling; or (4) a building previously wired for single meter service which is converted to not more than eight separate dwelling units served through one meter. (PPL St. No. 1, p. 27)

In contrast, a customer qualifies for Rate Schedule GS-1 if the property will receive small general single phase non-residential service at secondary voltage. (PPL St. No. 1, p. 27)

Secondary voltage is the voltage after one standard transformation at the point of delivery from the line voltage. (PPL St. No. 1, p. 28) For example, in the case of the Complainant's detached solar facilities, the Company must perform one standard transformation to step down the voltage of the distribution line from 240 volts to 120 volts in order to provide service to his solar array. (PPL St. No. 1, p. 28)

Here, the Complainant's detached solar facilities do not qualify for Rate Schedule RS under the tariff for several reasons. First, the solar facilities are separately metered, and the Company's Commission-approved tariff requires them to be served through the same meter as the Complainant's residence to qualify for Rate Schedule RS. (PPL St. No. 1, p. 28) Second, the Complainant's detached solar array has none of the characteristics of a "dwelling" as defined by the Company's tariff. (PPL St. No. 1, p. 28) Third, the detached solar array receives single phase electric service at secondary voltage, thereby placing it under Rate Schedule GS-1. (PPL St. No. 1, p. 28) As explained previously, PPL Electric has to step down the voltage of the distribution line from 240 volts to 120 volts in order to provide service to his detached solar array. (PPL St. No. 1, p. 28) For all of these reasons, the Complainant's detached solar array does not qualify for Rate Schedule RS and properly qualifies for Rate Schedule GS-1.

It also should be noted that the Complainant voluntarily elected to participate in virtual meter aggregation and was not forced to do so by the Company. The Complainant always has had the option of physically connecting his detached solar array to his residence at his own expense[20] and becoming a physical meter aggregation customer-generator. If he physically

[20] The Complainant requests, in the alternative, that PPL Electric be directed to rewire the solar facility with his resident, using his specifications and selected contractor, to enable the Complainant to participate in physical meter aggregation instead of virtual meter aggregation. (Complainant MB, p. 24) PPL Electric's tariff and the Commission's regulations, however, require such physical meter aggregation to be done at the customer-generator's

connected his solar generating facilities to his residence's meter, the meter for his home would continue to fall under Rate Schedule RS. (PPL St. No. 1, p. 28) Stated otherwise, the Complainant would have one account, and it would fall under Rate Schedule RS. However, the Complainant has instead voluntarily elected virtual meter aggregation, which involves separate, distinct accounts. By the explicit terms of PPL Electric's Commission-approved tariff, the Complainant's detached solar array falls under Rate Schedule GS-1, and the Company must comply with its tariff.

For these reasons, PPL Electric's Commission-approved tariff requires the Company to place the Complainant's solar facilities under Rate Schedule GS-1, not Rate Schedule RS. Therefore, the ALJ and Commission should deny the relief requested by the Complainant.

D. PPL ELECTRIC'S TARIFF REQUIRES DISTRIBUTION CHARGES TO BE IMPOSED ON THE COMPLAINANT'S HOST ACCOUNT

The Complainant avers that he should not be assessed and required to pay the customer and demand charges associated with his solar facility. (Moyer MB, pp. 8, 11) He argues that virtual meter aggregation customers should only be charged distribution charges on their usage accounts, not on their solar accounts as well. (Moyer MB, p. 8) The Complainant also claims that the Commission's regulations "limits the monthly charged that may be imposed on a virtual metering customer." (Moyer MB, p. 8) The record evidence in this case demonstrates that the Complainant's concerns regarding the customer/demand charges for his solar facility are directly contrary to PPL Electric's Commission-approved tariff and prior Commission precedent. The unrefuted evidence demonstrates that the Complainant's solar facility and residence are located at two entirely different points of interconnection with PPL Electric's system, and that solar

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expense. (PPL St. No. 1, p. 26) *See also* 52 Pa. Code § 75.14(e). For this reason alone, the Complainant's alternative request for relief should be denied.

facility uses the system to both receive electricity and to put electricity into the electric grid. Under these circumstances, it is entirely reasonable and appropriate that, as required by PPL Electric's Commission-approved tariff, the Complainant is responsible for the customer and demand charges associated with his solar facility.

As explained above, the Complainant's solar account falls under Rate Schedule GS-1.[21] PPL Electric's distribution charges, including its customer and demand charges, for Rate Schedule GS-1 customers are specifically set forth in its Commission-approved tariff. *See* Supp. No. 125 to Electric Pa. P.U.C. No. 201, Twenty-Sixth Revised Page No. 24. No exemption from this tariff requirement exists.[22]

Moreover, since the Complainant began participating in the virtual meter aggregation program, the Company's tariff specifically has stated the following: "The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule."[23] Accordingly, PPL Electric's Commission-approved tariff unequivocally mandates that a customer-generator participating in virtual net meter aggregation is responsible for those charges even though multiple customer accounts are involved. (PPL St. No. 1, p. 29)

Additionally, PPL Electric appropriately imposes these distribution charges on the Complainant's solar account because they are the same charges that apply to other customers that are not customer-generators. Under Section 75.13(j) of the Commission's regulations, "An EDC

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[21] *See* Section VI.C, *supra.*

[22] The Company must strictly adhere to its tariff and charge its customers accordingly, including any customer or demand charges. *See* 66 Pa.C.S. § 1303; *see also PPL Elec. Utils. Corp. v. Pa. PUC*, 912 A.2d 386, 402 (Pa. Cmwlth. 2006) ("it is well settled that public utility tariffs must be applied consistently with their language").

[23] Supp. No. 125 to Electric Pa. P.U.C. No. 201, Fifth Revised Page No. 19L.4 (Effective January 1, 2013) (PPL Ex. APC-1) (emphasis added); *see* Supp. No. 102 to Electric Pa. P.U.C. No. 201, Third Revised Page No. 19L.4 (Effective January 1, 2011) (PPL Ex. APC-4); Supp. No. 60 to Electric Pa. P.U.C. No. 201, First Revised Page No. 19L.4 (Effective July 17, 2007) (PPL Ex. APC-3).

may not charge a customer-generator a fee or other type of charge unless the fee or charge would apply to other customers that are not customer-generators." 52 Pa. Code § 75.13(j) (emphasis added). These distribution charges apply to all customers that are not customer-generators and that have accounts under Rate Schedule GS-1. (PPL St. No. 1, p. 30; *see* Tr. 227) As a result, the Complainant is properly charged the distribution charges under Rate Schedule GS-1.

Further, the application of the customer and demand charges to the solar account is reasonable, appropriate, and consistent with Commission precedent. Customer-generators continue to be connected to the Company's distribution system and continue to use that system both as a consumer of electricity and as a generator of electricity. (PPL St. No. 1, p. 29) The customer charge is designed to recover costs associated with connecting a customer to the system regardless of the customer usage. (PPL St. No. 1, pp. 29-30) Indeed, the Commission has previously held that this approach is just and reasonable. *See Pa. PUC v. PPL Electric Utilities Corp.*, Docket Nos. R-2010-2161694, 2010 Pa. PUC LEXIS 2001, at *82-85 (Order Entered Dec. 21, 2010). The Commission further found that "[r]elieving any customer-generator of its responsibility to pay customer charges or demand related charges would create an unjust and unreasonable burden on all other ratepayers." *Id.* at *85.

Ignoring PPL Electric's Commission-approved tariff and prior Commission precedent, the Complainant claims that 52 Pa. Code § 75.14(e) limits the monthly charges that may be imposed on customer-generators participating in virtual meter aggregation. According to the Complainant, Section 74.14(e) prohibits PPL Electric from applying customer and demand charges to virtual meter aggregation customers. (Moyer MB, p. 8) The Complainant's contention is without merit.

Section 75.14(e) provides, in pertinent part, that "[i]f the customer-generator requests virtual meter aggregation, it shall be provided by the EDC at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis." 52 Pa. Code § 75.14(e). The Complainant's reading of Section 75.14(e) is too narrow. Section 75.14(e) merely clarifies that the customer-generator is responsible for the incremental cost of processing his accounts on a virtual meter aggregation basis (i.e., when the cost of processing his accounts exceeds the typical cost of processing customers' accounts).[24] Section 75.14(e) does not state that the Complainant is free from paying any costs related to his solar account, including the customer charges, demand charges, or rider as may be applicable.

Finally, it is important to remember that "[n]o public utility shall, as to rates, make or grant any unreasonable preference or advantage to any person . . . or subject any person corporation, or municipal corporation to any unreasonable prejudice or disadvantage." 66 Pa. C.S. § 1304. If PPL Electric were to not charge the Complainant the monthly charges set forth in its Commission-approved tariff, the Company would potentially be granting an unreasonable preference or advantage to the Complainant. Other customers who have multiple customer accounts are responsible for the monthly charges imposed on each of those accounts. (PPL St. No. 1, p. 30) In contrast, the Complainant seeks preferential treatment that would absolve him on paying the Rate Schedule GS-1 monthly charges for his solar account simply by virtue of having a residential account under Rate Schedule RS. Such an unfair advantage is inequitable for the Company's other customers with multiple accounts and, moreover, would create an

[24] PPL Electric also notes that to date, it does not charge any incremental expense to customer-generators to track and apply virtual net meter aggregation through a manual process. (PPL St. No. 1, p. 38)

unjust and unreasonable burden for other ratepayers that would ultimately pay the customer and demand costs associated with the solar facility's interconnection and use of the electric system.

Based on the foregoing, the record evidence in this case demonstrates that the Complainant's concerns regarding the customer and demand charges for his solar facility are directly contrary to PPL Electric's Commission-approved tariff and prior Commission precedent. PPL Electric's Commission-approved tariff clearly and unequivocally provides that a customer-generator participating in virtual net meter aggregation is responsible for those charges even though multiple customer accounts are involved. (PPL St. No. 1, p. 29) Absent Commission approval, PPL Electric must charge the Complainant the customer and demand charges set forth in its Commission-approved tariff.

Further, the Complainant's request for a refund of the customer and demand charges paid since March 2009 should be denied.[25] The Complainant's request for a refund of the customer and demand charges is also barred by the Commission-made rates doctrine. The Commission-made rate doctrine is a limitation on the Commission's power to award refunds under Section 1312 of the Public Utility Code, 66 Pa.C.S. § 1312. *See, Toll Brothers, Inc. v. Pennsylvania-American Water Company*, Docket No. C-00934742, 1994 Pa. PUC LEXIS 122, *32-33. The Commission-made rate doctrine provides, among other things, that rates and tariff provisions, once fixed by final Commission order, may not be changed retroactively. *Cheltenham & Abington Sewage Co. v. Pa. PUC*, 344 Pa. 366, 25 A.2d 334, 338 (1942). Commission-made rates and tariff provisions may be changed only prospectively and are not subject to the

[25] Section 1312 of the Public Utility Code, 66 Pa.C.S. § 1312, authorizes the Commission to order refunds. Specifically, the Commission may order a public utility to issue refunds of any excess rates paid by a customer within four years prior to the date of the filing of a complaint. 66 Pa.C.S. § 1312(a). However, refunds are authorized only if the Commission determines that rates received by the utility (a) were unlawful; (b) were unjust or unreasonable; or (c) were in excess of the rates contained in the utility's applicable tariff filing. Id.

retroactive imposition of refunds. *Id.*; *West Penn Power Co. v. Pa. PUC*, 100 A.2d 110, 114 (Pa. Super. 1953); *Peoples Natural Gas Co. v. Pa. PUC*, 34 A.2d 375 (Pa. Super. 1943). In this case, the customer and demand charges set forth in PPL Electric's Rate Schedule GS-1 were approved in the Company's 2012 distribution base rate at Docket No. R-2012-2290597. Therefore, even if the Commission were to sustain the Complaint, the Complainant would not be entitled to a retroactive refund of the customer and demand charges collected by PPL Electric pursuant to its Commission-approved tariff.

E. THE COMPLAINANT'S ADDITIONAL REQUESTS FOR RELIEF AND CIVIL PENALTIES ARE IMPROPER, UNTIMELY, AND UNREASONABLE

In his Main Brief, the Complainant presents additional requests for relief. First, the Complainant requests that the Commission award "a reasonable estimate of appropriate compensation" in addition to his claim for a refund of demand/customer charges and compensation of credits allegedly owed for the period of June 2010 through December 2010. Second, the Complainant requests that the Commission impose civil penalties for purported violations of the Public Utility Code, AEPS Act, and the Commission's net metering regulations. Third, the Complainant proposes, for the first time in his Main Brief, a plan to implement his requested changes to PPL Electric's virtual meter aggregation program and billing process. Fourth, the Complainant requests that his solar facilities be permanently qualified for virtual meter aggregation must be denied. (Complainant MB, pp. 23-26) For the reasons explained below, the ALJ and Commission should deny the refunds, damages, penalties, and alternative relief requested by the Complainant.

1. The Complainant is Not Entitled to Damages

The Complainant requests that the Commission award "a reasonable estimate of appropriate compensation" in addition to his claim for a refund of demand/customer charges and

compensation of credits allegedly owed for the period of June 2010 through December 2010. (Complainant MB, pp. 23-24) The Complainant's request is nothing more than a claim for monetary damages. It is well established that the Commission does not have the jurisdiction to order a public utility to pay monetary damages. *See Byer v. Peoples Natural Gas Co.*, 380 A.2d 383 (Pa. Super. 1977) (holding that the Commission does not have the authority to award damages); *Feingold v. Bell of Pennsylvania*, 477 Pa. 1, 383 A.2d 791 (1977) (holding that the Commission does not have the authority to award damages). *See also Diane M. Hamilton and Eva J. Hamilton v. Verizon Pennsylvania, Inc.*, Docket No. C-2009-2135715, 2010 Pa. PUC LEXIS 234 at *8 (July 28, 2010) (Initial Decision) (citing *DeFrancesco v. Western Pennsylvania Water Company*, 499 Pa. 374, 453 A.2d 595 (1982); *Elkin v. Bell of Pa.*, 491 Pa. 123, 420 A.2d 371 (1980); *Feingold v. Bell of Pa.*, 477 Pa. 1, 383 A.2d 791 (1977)). Therefore, the Complainant's request for damages must be denied.

2. There has Been No Violation of Law, Regulation, Order, or Tariff that Supports Civil Penalties in this Case

The Complainant also requests that the Company be fined $98,000 (which represents the 98 virtual net metering customers) and assessed a further $1,000 civil penalty. (Moyer MB, pp. 24, 26) The Complainant's request for civil penalties should be denied.

Under Section 69.1201 of the Commission's regulations, the Commission considers several factors and standards in determining whether a fine for violating a Commission order, regulation, or statute is appropriate, and if so, the amount of such fine (i.e., the *Rossi* standards). *See* 52 Pa. Code § 69.1201; *see also Rossi v. Bell – Atlantic Pa., Inc.*, Docket No. C-00992409 (Order Entered Mar. 16, 2000). However, when evaluating the *Rossi* standards here, a fine is not appropriate in this case.

First, the conduct was not of a "serious nature." 52 Pa. Code § 69.1201(c)(1). There is nothing in the record to demonstrate that PPL Electric's virtual meter aggregation and billing processes have violated any provisions of the Public Utility Code, the AEPS Act, the Commission's regulations, or PPL Electric's tariff. As explained previously, the Company has at all times strictly adhered to the language set forth in its Commission-approved tariff and charged the Complainant appropriately. Therefore, PPL Electric should not be penalized for only adhering to its Commission-approved tariff.

Second, the resulting consequences of the Company's conduct was not "of a serious nature." *Id.* § 69.1201(c)(2). PPL Electric's actions resulted in no personal injury or property damage. At most, the Company should credit the Complainant's account for $738.98 for the period during which he was not participating in the virtual meter aggregation program, which PPL Electric has fully agreed to do.

Third, the Commission evaluates whether the utility's conduct was "intentional or negligent." *Id.* § 69.1201(c)(3). The record demonstrates that PPL Electric always has been operating pursuant to its reasonable interpretation of the Commission's regulations, the AEPS Act, the Public Utility Code, and its Commission-approved tariff. PPL Electric cannot be subject to penalties because it was only enforcing its Commission-approved tariff. *See* 66 Pa. C.S. § 3303. Therefore, the Company cannot be said to have intentionally or negligently violated the applicable laws or regulations or the Company's tariff.

Fourth, the Company has "made efforts to modify internal practices and procedures to address the conduct at issue and prevent similar conduct in the future." *Id.* § 69.1201(c)(4). As explained previously, the Company has made several modifications over the years to improve its manual billing process for virtual meter aggregation, but eventually developed an accurate and

consistent billing process. (PPL St. No. 1, p. 15) Further, it is undisputed that PPL Electric has repeatedly offered to provide all of the information that the Complainant requests on a monthly basis. (Tr. 181-82, 190, 200, 218-220; Moyer MB, pp. 24-25) PPL Electric also now offers year-end worksheets to its virtual meter aggregation customer-generators so that they may better verify the Company's calculation and application of credits to their accounts. (PPL St. No. 1, p. 35)

Fifth, the number of customers affected by the Company's conduct is only one. 52 Pa. Code § 69.1201(c)(5). The Complainant proposes that the Company should "be fined in the amount of $98,000.00 which represents the 98 virtual net metering customers who have been subjected to the same flawed 'manual billing process' used for the Complainant." (Moyer MB, p. 26) Only the Complainant has brought a complaint against the Company regarding its use of a manual billing process. Calculating such a penalty based upon the number of other virtual meter aggregation customer-generators, who have not filed any formal complaints or otherwise complained about the manual billing process, is unreasonable. (PPL St. No. 1, p. 37)

Sixth, if a violation is found, the Commission should consider PPL Electric's compliance history and note this case as an "isolated incident from an otherwise compliant utility." 52 Pa. Code § 69.1201(c)(6).

Seventh, PPL Electric has fully cooperated with the Commission directives and policies. 52 Pa. Code § 69.1201(c)(7). Although this case in not a Commission investigation, PPL Electric has cooperated and fully participated in the Commission's formal mediation process. PPL Electric also submitted the additional data as directed by the Commission's *January 2014 Order*. Finally, PPL Electric has attempted on numerous occasions to settle this case consistent with 52 Pa. Code § 5.231.

Eighth, the Commission considers the deterrence effect of a civil penalty or fine. *See id.* § 69.1201(c)(8). There is nothing of record to demonstrate that PPL Electric has violated the Public Utility Code, the AEPS Act, Commission regulations or orders, or PPL Electric's tariff. Thus, there is nothing to deter. PPL Electric has a legal obligation to comply with applicable laws and regulations and the Commission's orders. The Company will continue to comply with the Commission's directives on its virtual meter aggregation program regardless of the amount of any such civil penalty or fine.

Ninth, the Commission considers its past decisions in similar situations. *See id.* § 69.1201(c)(9). The Commission has encouraged public utilities to use manual processes when automated ones are not readily available. *See, e.g., Petition of Duquesne Light Co. for a Waiver of the Three Business Days Switching Requirements under 52 Pa. Code § 57.174*, Docket No. P-2014-2448863, at pp. 8, 10 (Order Entered Dec. 4, 2014). Consequently, the Company should not be penalized for taking actions consistent with the Commission's prior decisions.

Tenth, the Commission should consider other relevant factors. 52 Pa. Code § 69.1201(c)(10). At all times material to this proceeding, PPL Electric has acted in good faith when implementing virtual meter aggregation. Indeed, PPL Electric has gone above and beyond trying to accommodate the Complainant, including, but not limited to: (1) made numerous attempts to settle and resolve the Complainant's concerns; (2) allowed him to participate in virtual meter aggregation despite the lack of independent load at his detached solar facilities; (3) agreed to fully compensate him $738.98 for the period during which he was not participating in virtual meter aggregation; and (3) offered to provide him with the calculation sheets that the Company uses to determine and apply his generation credits on a monthly basis, which contain all of the information that he seeks. (PPL St. No. 1, pp. 18-20, 24; Tr. 181-82, 190, 200, 218-

220; Moyer MB, pp. 24-25) Imposing a civil penalty under these circumstances could send the wrong message about making reasonable and prudent efforts to settle with customer complainants. Finally, and importantly, it is undisputed that PPL Electric's billing system simple cannot do what the Complainant demands. PPL Electric should not be penalized for something it cannot do.

Based on the foregoing, PPL Electric submits that it would be unreasonable to impose a penalty on the Company when it has tried to resolve the Complainant's concerns given the limitations of its billing system.

3. Complainant's Proposed Implementation Plan is Untimely and Unreasonable

For the first time in his post-hearing brief, the Complainant raises a series of new requests for relief, including: (1) "[t]hat, within 90 days, PPL Electric shall develop, and submit to the Commission for approval, a billing plan for virtual meter aggregation that takes full advantage of automation and will generate a single monthly bill for the Complainant which includes, at a minimum," several components; (2) "[t]hat, within 90 days from the time the proposal is submitted, the Commission will review the Company's plan and approve it as submitted, or approve another plan that assures the objective described" previously; and (3) "[t]hat, within 90 days, PPL Electric shall begin issuing the Complainant a single bill each month that shows a 'combination of readings and billing' from the Complainant's separate meters." (Moyer MB, pp. 24-25) The Complainant's proposed implementation plan must be rejected.

First, as explained above, the Complainant has failed to meet his burden to demonstrate that PPL Electric has violated any provisions of the Public Utility Code, the AEPS, Act, the Commission regulations, or PPL Electric's tariff. For this reason alone, the Complainant is not entitled to <u>any</u> relief, including his proposed implementation plan.

Second, the Complainant's proposed implementation plan completely ignores that PPL Electric's system simply cannot do what the Complainant wants. As explained above, the Company tried to create a work-around for the billing system to fully automate virtual meter aggregation; however, it did not work.[26] Under these circumstances, and given the very small number of customers participating in virtual net metering, PPL Electric's manual billing process is reasonable and, as explained above, accurate. Therefore, the Complainant's proposed implementation plan would not be reasonable at this time.

Third, it is well-established that Parties are not permitted to present new arguments or proposals for the first time in the briefing stage.[27] Such practice is procedurally improper and deprives opposing parties of their due process rights. By waiting until his Main Brief to submit this specific relief, the Complainant has deprived the Company of an opportunity to submit evidence on the feasibility and cost of this relief. Nevertheless, PPL Electric notes that it has tried to implement automation using PPL Electric's current billing system, and it did not work. (Tr. 182-83) Accordingly, the Company has been denied the opportunity to present evidence on whether it can implement the plan described by the Complainant in the proposed timeframes, particularly when it is already devoting resources to other initiatives.

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[26] Moreover, PPL Electric's information technology resources are devoted to multiple off-cycle switching and implementing a comprehensive smart meter installation plan, which is pending before the Commission. (Tr. 223-24)

[27] *See, e.g., Pa. P.U.C. v. Pa. Power and Light Co.*, Docket Nos. R-822169, *et al.*, 55 P.U.R.4th 185, 57 Pa. PUC 559, 596-97 (Order Entered Aug. 19, 1983) ("Merits aside, it is highly inappropriate for a party to propose a completely new adjustment for the first time in its brief. . . . Trial staff made no attempt to develop this issue during the course of this case, nor did they present testimony in support of such an adjustment."); *Enron Capital & Trade Res. Corp. v. Peoples Natural Gas Co.*, Docket No. R-00973928C0001, 1997 Pa. PUC LEXIS 178, at *10-11 (Nov. 13, 1997) (Recommended Decision) ("Enron cannot be permitted to introduce an argument at the briefing stage which it did not introduce in the evidentiary phase of this proceeding . . . Imposing [the alternative proposal] without the other parties having notice and an opportunity to be heard would violate their due process rights."), *affirmed*, 1998 Pa. PUC LEXIS 199 (Order Entered Aug. 24, 1998); *Pa. PUC v. Columbia Gas of Pa., Inc.*, Docket Nos. R-2014-2407345, C-2014-2410197, C-2014-2415136, at p. 65 (Aug. 22, 2014) (Recommended Decision) (rejecting "OCA's proposal, made for the first time in its Main Brief" because "[w]aiting until its Main Brief to propose such a requirement is improper").

Based on the forgoing, the Complainant's proposed implementation plan presented for the first time in his Main Brief should be denied.

4. Complainant's Detached Solar Array Cannot Be Permanently Qualified for Virtual Meter Aggregation

The Complainant also requests that his solar facilities be permanently qualified for virtual meter aggregation must be denied. A customer cannot be granted a utility rate or service in perpetuity because both utilities and customers are subject to changes in the regulatory scheme. Public utilities must comply with the Commission's regulations and orders. *See* 66 Pa. C.S. § 501(c); *see also Application Of Mfs. Intelenet Of Pennsylvania, Inc., et al.*, Docket Nos. A-310203F0002, *et al.,* 1997 Pa. PUC LEXIS 153 (August 7, 1997) (utility rates and services are net set in perpetuity).

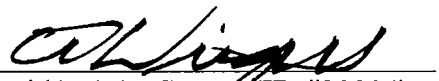
In addition, the Commission's *January 2014 Order* in this proceeding ordered the Company to allow the Complainant to participate in virtual meter aggregation, "subject to changes in applicable laws or tariffs." *January 2014 Order*, Ordering Paragraph 9 (emphasis added). To permit the Complainant to participate in virtual meter aggregation permanently would conflict with the Commission's mandate that such participation will be subject to changes in the applicable laws or tariffs.

Therefore, the Complainant's proposal that his solar facilities be permanently qualified for virtual meter aggregation must be rejected.

VII. CONCLUSION

WHEREFORE, PPL Electric Utilities Corporation respectfully requests that the Honorable Administrative Law Judge Cynthia Williams Fordham recommend and that the Pennsylvania Public Utility Commission deny the Complaints filed by Jay Larry Moyer.

Respectfully submitted,



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Appendix A

APPENDIX A
Proposed Findings of Fact

PPL Electric Utilities Corporation ("PPL Electric" or the "Company") proposes the following findings of fact:

1. Net metering is the process by which an eligible renewable customer-generator's account is credited for generating electricity from a qualifying Tier I or Tier II alternative energy source pursuant to the AEPS Act and the Commission's net metering regulations. (PPL St. No. 1, p. 5)

2. Net metering allows customer-generators to use the electricity produced from eligible alternative energy systems to offset all or a portion of the customer-generator's electric usage. (PPL St. No. 1, p. 5)

3. If a customer-generator supplies more electricity to the electric distribution system than the EDC delivers to the customer-generator in a given billing period, the excess generation is carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate, which includes the distribution charge, transmission service charge, generation supply charge, and any riders applicable to the customer rate schedule. (PPL St. No. 1, pp. 5-6)

4. Any excess, unused generation continues to accumulate until the end of the PJM Interconnection LLC ("PJM") Planning Period (May 31st of each year) and is then cashed out at the electric distribution company's applicable Price-to-Compare ("PTC") and paid to the customer-generator. (PPL St. No. 1, p. 6)

5. Meter aggregation is the process by which an eligible renewable customer-generator is able to aggregate the properties he or she owns or leases and operates for purposes of net metering. (PPL St. No. 1, p. 7) The properties must be located within two miles of the

boundaries of the renewable customer-generator's property and located within the Company's service territory. (PPL St. No. 1, p. 7)

6. There are two types of meter aggregation: (1) physical meter aggregation; and (2) virtual meter aggregation. (PPL St. No. 1, p. 7)

7. Physical meter aggregation is when a customer-generator, at his or her expense, physically connects the generating facilities to his or her single meter. (PPL St. No. 1, p. 7)

8. Virtual meter aggregation is when the customer-generator's generating facilities and other property are not physically connected to the same meter. (PPL St. No. 1, p. 7) Instead, the Company measures the electricity generated and used at the generating facilities (the solar facility for purposes of the Complainant) and aggregates that with the customer's usage at his or her other property (the residential account for purposes of the Complainant). (PPL St. No. 1, p. 7)

9. With virtual meter aggregation, there are two different meters with two entirely different points of interconnection: (1) a bidirectional meter at the generating facilities that measures both usage and generation of electricity; and (2) a standard smart meter at the usage account (typically a residence) that measures the customer's usage. (PPL St. No. 1, pp. 7, 10)

10. Because there are two separate meters employed for virtual net meter aggregation, the customer-generator receives two separate bills (i.e., one for each metered account). (PPL St. No. 1, p. 7)

11. The Company's billing system currently is not capable of aggregating a customer-generator's two separate accounts through an automated process for two reasons. (PPL St. No. 1, pp. 10-11; Tr. 218) First, the billing system cannot currently transfer and aggregate data among separate meters -- data from the generating facility to the usage account or vice versa.

(PPL St. No. 1, p. 10) Second, the generating facilities often generate more electricity than they use. As a result, the meter will run backwards and produce a negative meter read (i.e., negative usage). However, PPL Electric's billing system cannot accommodate negative meter reads. (PPL St. No. 1, pp. 10-11)

12. The Company utilizes an inexpensive manual process to track and record the generation facility account's generation in excess of its usage (i.e., "excess generation") and aggregates it with the other account's usage. (PPL St. No. 1, p. 11; Tr. 188) The customer-generator's usage and generation is tracked, offset, banked, and cashed out as appropriate and required by the Commission's regulations. (PPL St. No. 1, pp. 9-10)

13. For virtual meter aggregation customer-generators, PPL Electric uses computer software to track, record, store, and calculate the excess generation produced, the credits applied, and the cash outs paid. For each virtual net meter aggregation customer, the Company maintains a computer generated spreadsheet that tracks, on a monthly basis, the excess generation at the generation facility account and the allocation of excess kWh to each usage account. (PPL St. No. 1, p. 11)

14. The Complainant currently is a customer-generator participating in PPL Electric's virtual meter aggregation program and was one of the first customer-generators to request virtual meter aggregation on PPL Electric's system, originally being permitted to participate in March 2009. (PPL St. No. 1, p. 18)

15. In May 2010, the Company determined that the Complainant's alternative energy system did not qualify for virtual meter aggregation because it did not have load independent of the alternative energy system, which is often referred to as "non-generational load," and removed him from the program effective June 2010. (PPL St. No. 1, pp. 18-19)

16. Subsequently, on or about December 16, 2010, the Complainant filed an Informal Complaint about his removal from virtual meter aggregation. (PPL St. No. 1, p. 18) To settle the dispute, PPL Electric agreed in June 2011 to allow the Complainant to participate in virtual meter aggregation. (PPL St. No. 1, p. 18)

17. PPL Electric Exhibit APC-5 is an accurate representation of the Complainant's billing and crediting history since he began participating in virtual meter aggregation, including the Complainant's generation, the Complainant's usage, the credits applied to the Complainant's accounts, the excess generation (in kilowatt hours) banked and carried forward, and the annual cash outs received by the Complainant. (PPL St. No. 1, pp. 20-24; PPL Ex. APC-5)

18. As seen in PPL Electric Exhibit APC-5, the Company has calculated and applied credits appropriately from when the Complainant began participating in virtual meter aggregation in March 2009 to February 2015 using its manual billing process. (PPL St. No. 1, p. 21; PPL Ex. APC-5)

19. Despite not having any independent load during the period of June 2010 through December 2010, PPL Electric has agreed to fully compensate the Complainant for the value of any credits he would have but did not receive for the excess generation produced since March 2009, when his system initially began participating. (PPL St. No. 1, p. 20) The Company calculated the amount owed as $559.95, which with interest is $738.98. (PPL St. No. 1, p. 24; PPL Ex. APC-5)

20. The Complainant's assertion that automation presents numerous advantages over a manual billing process is based on overstated claims that have no factual support in the record.

21. The Complainant began participating in the program when the Company was learning how to implement virtual meter aggregation and overcome the hurdle of its billing

system's inability to aggregate virtual meter aggregation customer-generators' accounts on an automated basis. (PPL St. No. 1, p. 10; Tr. 208)

22. Over the years, the Company has made necessary revisions to its Commission-approved tariff to comply with changes to the Commission's regulations for net metering, which concerned PPL Electric's net metering credit and compensation provisions. (PPL St. No. 1, pp. 15-16; PPL Ex. APC-3; PPL Ex. APC-4)

23. The Company has presented information at the hearing and in the comments to Exhibit APC-5 that addresses the alleged discrepancies and errors noted by the Complainant in his Main Brief. (PPL St. No. 1, pp. 10-11, 21, 31; PPL Ex. APC-5; Tr. 94, 117, 154-55, 185-86)

24. PPL Electric has explained why certain information does or does not appear on the Complainant's bills. (PPL St. No. 1, pp. 16, 32-33)

25. The bidirectional meter at the solar account records all electricity used and generated by the alternative energy system. (PPL St. No. 1, p. 7) PPL Electric's personnel use this meter reading to determine the amount of electricity used and generated, and then utilize that reading as part of the manual billing process to determine the credits, charges, and banked kWhs each month. (PPL St. No. 1, pp. 11-12)

26. Although the Complainant's cash outs are not reflected on his bills, the Complainant did receive checks for those cash outs. (*See, e.g.*, Moyer Exhibits JLM-27 and JLM-28)

27. The Company's tariff prior to January 1, 2011, did <u>not</u> prescribe monthly crediting of excess generation. (PPL St. No. 1, p. 22) When the Complainant began participating in virtual meter aggregation effective January 2011, the Company applied credits to the Complainant's account in September 2011 and again in December 2011 to compensate the

Complainant for the excess generation he produced from January 6, 2011 to August 10, 2011, and from August 10, 2011, to December 9, 2011, respectively. (PPL St. No. 1, p. 23; PPL Electric Exhibit APC-5) Each month after December 2011, PPL Electric credited the Complainant's bill on a monthly basis. (PPL St. No. 1, p. 23)

28. Although there were some inconsistencies concerned the terminology used by the Company in its bills for customer-generators, PPL Electric eventually developed consistent terminology that it now utilizes in all of its bills for customer-generators participating in virtual meter aggregation. (PPL St. No. 1, pp. 32-33)

29. Pursuant to PPL Electric's manual billing process, the credits are applied to virtual meter aggregation customer-generators' accounts on a one-month delay. (Tr. 146, 153) The delay is caused by the time it takes Company personnel to input the data into the spreadsheet for it to perform the necessary calculations regarding the credits to be applied. (Tr. 153)

30. The customer-generator always still receives the credit for the excess generation he or she produces at the full retail for that billing cycle. (Tr. 171)

31. The credit is always based on the full retail rate at the time the electricity is generated, not when the credit is applied. (PPL St. No. 1, p. 12)

32. After it submitted rebuttal testimony, PPL Electric tried and was unable to modify its billing system to implement automated virtual meter aggregation as requested by the Complainant. (Tr. 223) As a result, PPL Electric's system cannot do what the Complainant has requested, and it is unknown at this time what upgrades (and the associated costs) would be required to fully implement automated billing for virtual meter aggregation.

33. Imposing the costs of the upgrade on the limited number of existing virtual meter aggregation customer-generators would erode any benefits they could realize from the program and make the program uneconomical. (PPL St. No. 1, p. 39)

34. An upgrade to PPL Electric's billing system to accommodate an automated billing process for virtual meter aggregation is unnecessary because the manual billing process has been fine-tuned and that the Company is willing to provide the information requested by the Complainant on a monthly basis. (PPL St. No. 1, p. 14; Tr. 181-82, 190, 200, 218-20)

35. Each of the Complainant's meters has a separate point of interconnection with PPL Electric's electric distribution system. (PPL St. No. 1, p. 26)

36. The Complainant takes electricity from and puts electricity back onto the system at the point of interconnect for his solar account, and he takes electricity from the system at the point of interconnect for his residential account. (Tr. 95-96, 117-18)

37. The Complainant's own facilities provide him with information on the electricity he generates. (Moyer Direct, p. 44) Specifically, the Complainant's independent side meter has recorded the generation produced at his detached solar array since it began operating in 2009, and the detached solar facility's "own inverter tracks generation and stores data showing kilowatt hours of generation." (Moyer Direct, p. 44)

38. PPL Electric provides other avenues for its virtual meter aggregation customer-generators to access information on their accounts. PPL Electric's energy analyzer is a web-based product that any of its customer-generators can access and examine their electric use daily. (PPL St. No. 1, p. 34) There also is a virtual net meter aggregation post where a customer-generator participating in that program can see the generation facility account's generation hour by hour each day. (PPL St. No. 1, pp. 34-35)

39. After the end of the PJM planning year, the Company provides a calculation sheet to determine the monthly credits upon customer request. (PPL St. No. 1, p. 35)

40. The Company has offered to provide the Complainant with the very same monthly calculation sheets that it uses to calculate and apply the credits to his accounts, which contain all of the information requested by the Complainant. (Tr. 181-82, 190, 200, 218-220)

41. The Complainant has refused to accept these calculation sheets, contending that receiving all the information he requests would not satisfy his concerns. (Tr. 111)

42. The Complainant's solar facilities are separately metered, have none of the characteristics of a "dwelling," and receive single phase electric service at secondary voltage. (PPL St. No. 1, p. 28)

43. The distribution charges imposed on the Complainant's solar account are the same charges that apply to other customers that are not customer-generators. *See* Supp. No. 125 to Electric Pa. P.U.C. No. 201, Twenty-Sixth Revised Page No. 24.

44. The customer charge is designed to recover costs associated with connecting a customer to the system regardless of the customer usage. (PPL St. No. 1, pp. 29-30)

45. Only the Complainant has brought a complaint against the Company regarding its use of a manual billing process for virtual meter aggregation. (PPL St. No. 1, p. 37)

46. At all times material to this proceeding, PPL Electric has acted in good faith when implementing virtual meter aggregation and has gone above and beyond trying to accommodate the Complainant, including, but not limited to: (1) making numerous attempts to settle and resolve the Complainant's concerns; (2) allowing him to participate in virtual meter aggregation despite the lack of independent load at his detached solar facilities; (3) agreeing to fully compensate the Complainant $738.98 for the period during which he was not participating in

virtual meter aggregation; and (4) offering to provide him with the calculation sheets that the Company uses to determine and apply his generation credits on a monthly basis, which contain all of the information that he seeks. (PPL St. No. 1, pp. 18-20, 24; Tr. 181-82, 190, 200, 218-220)

Appendix B

APPENDIX B
Proposed Conclusions of Law

PPL Electric Utilities Corporation ("PPL Electric" or the "Company") proposes the following conclusions of law:

1. Under Section 332(a) of the Public Utility Code, 66 Pa.C.S. § 332(a), "the proponent of a rule or order has the burden of proof."

2. It is well-established that "[a] litigant's burden of proof before administrative tribunals as well as before most civil proceedings is satisfied by establishing a preponderance of evidence which is substantial and legally credible." *Samuel J. Lansberry, Inc. v. Pa. PUC*, 578 A.2d 600, 602 (Pa. Cmwlth. 1990); *see Commonwealth v. Williams*, 557 Pa. 207, 732 A.2d 1167 (1999); *Brown v. Commonwealth*, 940 A.2d 610, 614 n.14 (Pa. Cmwlth. 2008).

3. As the proponent of a rule or order in this case, the Complainant has the burden of proof in this case.

4. The Complainant must demonstrate by a preponderance of evidence that PPL Electric's virtual meter aggregation program and billing process violate the Public Utility Code, the Alternative Energy Portfolio Standards Act ("AEPS Act"), the Pennsylvania Public Utility Commission's ("Commission") regulations, a Commission order, or PPL Electric's tariff. *See* 66 Pa. C.S. § 701; *Shank v. PPL Elec. Utils. Corp.*, Docket No. C-2009-2087300, 2009 Pa. PUC LEXIS 1624, at *7 (Order Entered Aug. 31, 2009).

5. Nothing in the AEPS Act, the Public Utility Code, or the Commission's regulations requires electric distribution companies ("EDCs") to use an automated billing process for virtual meter aggregation.

6. The Commission encourages public utilities to utilize manual processes when automated processes are unavailable, too costly, or incapable of performing the necessary

functions. *See, e.g., Petition of Duquesne Light Co. for a Waiver of the Three Business Days Switching Requirements under 52 Pa. Code § 57.174*, Docket No. P-2014-2448863, at pp. 8, 10 (Order Entered Dec. 4, 2014).

7. The Company's manual billing process is reasonable because: (1) no applicable law or regulation requires an automated billing process to be used for virtual meter aggregation; and (2) the Company's manual billing process calculates and applies the credits owed to virtual meter aggregation customer-generators in accordance with its Commission-approved tariff and applicable law.

8. Although PPL Electric's bills for virtual meter aggregation customer-generators do not show the actual meter readings, the bills are rendered based on the actual meter readings in compliance with 52 Pa. Code § 56.12.

9. No applicable law or regulation requires the cash outs to be shown on the Complainant's bills.

10. Nothing in the AEPS Act, the Public Utility Code, or the Commission's regulations prohibits the use of the terms "post[ing]" a credit, "render[ing]" a bill, and "excess credit."

11. Nothing in Section 75.13(c) prohibits an EDC from applying the amount of the credit in the next billing cycle.

12. The one-month delay produced by the manual billing process for virtual meter aggregation does not violate the Commission's regulations.

13. The Company's decision not to upgrade its billing system to accommodate automated billing for 98 virtual meter aggregation customer-generators is reasonable.

14. Nothing in the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff provides that all virtual meter aggregation accounts should be rendered on a single account or a single bill.

15. PPL Electric's virtual meter aggregation manual billing process properly combines the readings and billing of customer-generators by aggregating their usage and generation appropriately, as required by 52 Pa. Code § 75.12.

16. Nothing in the AEPS Act, the Public Utility Code, the Commission's regulations, or PPL Electric's Commission-approved tariff requires all of the information requested by the Complainant to be presented on the bills.

17. Public utilities must strictly adhere to the language in their tariffs, and Commission-approved tariffs have the force and effect of law. *See PPL Elec.*, 912 A.2d 386, 402 (citing 66 Pa. C.S. § 1303 and *Pa. Elec. Co. v. Pa. PUC*, 663 A.2d 281, 284 (Pa. Cmwlth. 1995)).

18. A public utility's tariff is "binding on the customer as well as the utility." *Id.* (citing *Pa. Elec. Co. v. Pa. PUC*, 663 A.2d 281, 284 (Pa. Cmwlth. 1995)).

19. PPL Electric's Commission-approved tariff requires the Company to place the Complainant's solar facilities under Rate Schedule GS-1, not Rate Schedule RS. (PPL St. No. 1, p. 28)

20. PPL Electric's Commission-approved tariff mandates that a customer-generator participating in virtual meter aggregation is responsible for the distribution charges for each of his or her accounts even though multiple customer accounts are involved.

21. PPL Electric appropriately imposes distribution charges on the Complainant's solar account because they are the same charges that apply to other customers that are not customer-generators. *See* 52 Pa. Code § 75.13(j).

22. "Relieving any customer-generator of its responsibility to pay customer charges or demand related charges would create an unjust and unreasonable burden on all other ratepayers." *Pa. PUC v. PPL Electric Utilities Corp.*, Docket Nos. R-2010-2161694, 2010 Pa. PUC LEXIS 2001, at *85 (Order Entered Dec. 21, 2010).

23. "No public utility shall, as to rates, make or grant any unreasonable preference or advantage to any person . . . or subject any person corporation, or municipal corporation to any unreasonable prejudice or disadvantage." 66 Pa. C.S. § 1304.

24. The Complainant's request for a refund of the customer and demand charges is barred by the Commission-made rates doctrine. *See Cheltenham & Abington Sewage Co. v. Pa. PUC*, 344 Pa. 366, 25 A.2d 334, 338 (1942); *West Penn Power Co. v. Pa. PUC*, 100 A.2d 110, 114 (Pa. Super. 1953); *Peoples Natural Gas Co. v. Pa. PUC*, 34 A.2d 375 (Pa. Super. 1943).

25. The Commission is without jurisdiction to award damages; accordingly, the Complainant's request for "a reasonable estimate of appropriate compensation" is a claim for monetary damages that is denied. *See Byer v. Peoples Natural Gas Co.*, 380 A.2d 383 (Pa. Super. 1977); *Feingold v. Bell of Pennsylvania*, 477 Pa. 1, 383 A.2d 791 (1977); *see also Diane M. Hamilton and Eva J. Hamilton v. Verizon Pennsylvania, Inc.*, Docket No. C-2009-2135715, 2010 Pa. PUC LEXIS 234 at *8 (July 28, 2010) (Initial Decision) (citing *DeFrancesco v. Western Pennsylvania Water Company*, 499 Pa. 374, 453 A.2d 595 (1982); *Elkin v. Bell of Pa.*, 491 Pa. 123, 420 A.2d 371 (1980); *Feingold v. Bell of Pa.*, 477 Pa. 1, 383 A.2d 791 (1977)).

26. An EDC cannot be subject to penalties as a result of enforcing its Commission-approved tariff. *See* 66 Pa. C.S. § 3303.

27. The Complainant's alternative relief requesting that PPL Electric be directed to rewire the solar facility with his residence, using his specifications and selected contractor, to enable him to participate in physical meter aggregation instead of virtual meter aggregation contravenes PPL Electric's tariff and the Commission's regulations, which require such physical meter aggregation to be done at the customer-generator's expense. (PPL St. No. 1, p. 26); 52 Pa. Code § 75.14(e).

28. It is well-established that parties are not permitted to present new arguments or proposals for the first time in the briefing stage. *See, e.g., Pa. P.U.C. v. Pa. Power and Light Co.*, Docket Nos. R-822169, *et al.*, 55 P.U.R.4th 185, 57 Pa. PUC 559, 596-97 (Order Entered Aug. 19, 1983); *Enron Capital & Trade Res. Corp. v. Peoples Natural Gas Co.*, Docket No. R-00973928C0001, 1997 Pa. PUC LEXIS 178, at *10-11 (Nov. 13, 1997) (Recommended Decision), *affirmed*, 1998 Pa. PUC LEXIS 199 (Order Entered Aug. 24, 1998); *Pa. PUC v. Columbia Gas of Pa., Inc.*, Docket Nos. R-2014-2407345, C-2014-2410197, C-2014-2415136, at p. 65 (Aug. 22, 2014) (Recommended Decision).

29. By waiting until his Main Brief to submit his request for relief regarding the proposed implementation plan, the Complainant has deprived the Company of an opportunity to submit evidence on the feasibility of this relief and, therefore, violated PPL Electric's due process rights.

30. Public utilities must comply with the Commission's regulations and orders. *See* 66 Pa. C.S. § 501(c).

31. The Complainant has not met his burden of proof to demonstrate that PPL Electric's virtual meter aggregation program and billing process violates the Public Utility Code, AEPS Act, Commission regulations, or PPL Electric's tariff.

32. The Complainant has not met his burden to demonstrate that his detached solar array should be under Rate Schedule RS.

33. The Complainant has not met his burden to demonstrate that he should not pay the customer and demand charges associated with his detached solar array.

34. The Complainant has not met his burden to establish he is entitled to the refunds, damages, and civil penalties requested.

Appendix C

APPENDIX C
Proposed Ordering Paragraphs

PPL Electric Utilities Corporation ("PPL Electric" or the "Company") proposes the following ordering paragraphs:

1. That as agreed by PPL Electric on the record, the Company shall credit Jay Larry Moyer's residential account $738.98.

2. That as directed by the Pennsylvania Public Utility Commission in its Opinion and Order entered January 9, 2014, at Docket No. C-2011-2273645, the Company shall continue to permit the Complainant to virtually aggregate his two existing metering accounts, subject to changes in applicable laws or tariffs.

3. That the Complaint filed by Jay Larry Moyer against PPL Electric at Docket No. C-2011-2273645 is denied with prejudice.

4. That the Complaint filed by Jay Larry Moyer against PPL Electric at Docket No. C-2014-2444864 is denied with prejudice.

5. That the proceeding at Docket No. C-2011-2273645 be marked closed.

6. That the proceeding at Docket No. C-2014-2444864 be marked closed.