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2. BUREAU: FUS :
3. SECTION(S) : 4. PUBLIC MEETING DATE:
5. APPROVED BY: : 00/00/00
DIRECTOR: :
SUPERVISOR: :
6. PERSON IN CHARGE: : 7. DATE FILED: 02/08/07
8. DOCKET NO: R-00072134 : 9. EFFECTIVE DATE: 12/16/06

PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: PECO ENERGY COMPANY

COMP/APP COUNTY:

UTILITY CODE: 110550

ALLEGATION OR SUBJECT

PECO ENERGY COMPANY HAS FILED SUPPLEMENT NO 71 TO TARIFF ELECTRIC PA PUC NO 3, TO BECOME EFFECTIVE DECEMBER 16, 2006, WHICH PROPOSES TO IMPLEMENT THE PUC'S NEW NET METERING REGULATIONS.

DOCUMENT
FOLDER

DOCKETED
FEB 20 2007



An Exelon Company

Brian D. Crowe
Director
Rates & Regulatory Affairs

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**DOCUMENT
FOLDER**

PECO Energy Company
2301 Market Street
Philadelphia, PA 19103

Mail To: PO. Box 8699
Philadelphia, PA 19101-8699

R-00072134

February 8, 2007

ORIGINAL RECEIVED
FEB 08 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Mr. James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

Subject: Supplement No. 71 to Tariff Electric – PaPUC No. 3
Issued February 8, 2007 – to become effective on December 16, 2006
Final Rulemaking -Net Metering for Customer-generators pursuant to
Section 5 of the Alternative Energy Portfolio Standards Act, 73 P.S. §
1648.5, Docket L-00050174

Dear Mr. McNulty:

The Pennsylvania Public Utility Commission ("Commission") recently completed its development of net metering regulations required by Section 1648.5 of the Alternative Energy Portfolio Standards Act. 73 P.S. § 1648.1, et seq. Accordingly, PECO Energy Company is filing with the Commission an original and eight copies of Supplement No. 71 to Tariff Electric No. 3 issued February 8, 2007 to become effective on December 16, 2006 in order to implement the Commission's new net metering regulations and comply with the Commission's Secretarial Letter dated January 19, 2007.

Please acknowledge receipt of the foregoing by stamping the enclosed copy of this letter and returning it in the self-addressed stamped envelope provided herein.

Sincerely,

Copies to: R. Rosenthal, Director, Fixed Utility Services
T.E. Sheets, Director, Bureau of Audits
J. E. Simms, Director - Office of Trial Staff
R. F. Wilson, Bureau of Fixed Utility Services
Office of Consumer Advocate
Office of Small Business Advocate

45

Proposed Changes to Electric Tariff No. 3 Supplement No. 71

Information furnished with the filing of rate changes under 52 Pa. Code, Section 53.52(a).

1. The specific reasons for the change.

The change in the tariff is being made in accordance with the Commission's Secretarial Letter of January 19, 2007 regarding implementation of the Final Rulemaking Re: Net Metering for Customer-generators pursuant to Section 5 of the Alternative Energy Portfolio Standards Act, 73 P.S. section 1648.5, Docket L-00050174. The Company is withdrawing its existing Rate RS tariff and replacing it with a new Rate RS-2. Consistent with the Commission's Secretarial Letter the Company believes it would be confusing having two net metering tariffs. As noted below replacement of the old Rate RS with the new tariff does not negatively affect any existing customers.

2. The total number of customers served by the utility.

PECO had approximately 1,550,965 customers as of December 31, 2006.

3. A calculation of the number of customers, by tariff subdivision, whose bill will be affected by the change.

The Company expects that approximately 143 customers will be affected by the change.

4. The effect of the change on the utility's customers.

The customers that could be affected by the tariff change are those that are currently served under the existing Rate RS. The current rate has three options, A,B,C. Under Option A, the customer's bill is reduced by the amount of energy generated by the customer's own site facility. However, if any excess is generated the customer does not receive payment for that generation. Under Options B, C the customer pays for an extra meter and is entitled to payment for any generation in excess of their usage. Approximately 126 of the 143 customers are on Option A. The benefit of the Company's new tariff to these customers would be to allow them to receive compensation for any excess generation. The remaining customers are on Option B or C. The benefit to these customers is they will no longer pay the additional meter charge, approximately \$4.53 per month for Option B and \$10.35 per month for Option C.

5. The direct or indirect effect of the proposed change on the utility's revenue and expenses.

PECO expects that the impact of the tariff on its revenue and expenses will be de minimis.

6. The effect of the change on the service rendered by the utility.

PECO does not expect the proposed tariff change to impact service.

7. A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement about why these factors were chosen and the relative importance of each.

The change is being made to comply with Commission regulations. See response to question 1 above.

8. Studies undertaken by the utility in order to draft its proposed change.

There were no studies undertaken in developing the tariff. The language was designed to comply with Commission issued regulations. The Company analyzed whether existing Rate RS customers would receive additional benefits under the current rate or the proposed Rate RS-2. Based upon 2006 billing data no customers were better served under the existing tariff, therefore it is being withdrawn.

9. Customer polls taken and other documents, which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided.

No polls were taken. The tariff is being filed to comply with the Commission regulations regarding net metering.

10. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.

The Company will notify existing net-metered customers of the proposed tariff change by letter and provide any appropriate refund in compliance with the mandated retroactive effective date.

11. FCC, FERC, or Commission orders or rulings applicable to the filing.

Applicable to the filing are the PaPUC final rulemaking Order in Docket L-00050174, Net Metering for Customer-generators and the Secretarial Letter dated January 19, 2007 regarding the referenced rulemaking.

R-00072134

SUPPLEMENT NO. 71 TO
ELECTRIC PA. P.U.C. NO. 3

PECO Energy Company **DOCUMENT
FOLDER**

Electric Service Tariff

COMPANY OFFICE LOCATION

2301 Market Street
Philadelphia, Pennsylvania 19101

ORIGINAL

For List of Communities Served, See Page 4.

Issued February 8, 2007

Effective: December 16, 2006

ISSUED BY: D. P. O'Brien - President
PECO Energy Distribution Company
2301 MARKET STREET
PHILADELPHIA, PA. 19101

DOCKETED
FEB 20 2007

NOTICE.

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

LIST OF CHANGES MADE BY THIS SUPPLEMENT

Rate RS-2 Original Page No. 40A, 40B

New Rate Added.

Rate R-S Renewable Energy Service 44⁴, 44A¹

Rate Withdrawn

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FEB 08 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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RATE RS-2 NET METERING

(C)

PURPOSE:

This Rate sets forth the eligibility, terms and conditions applicable to Customers with installed qualifying customer-owned generation using a net metering system.

APPLICABILITY:

This Rate applies to customer-generators served under Rates R, RH, RT, CAP, GS, HT, PD and EP who install a device or devices which are, in the Company's judgment, subject to Commission review, a bona fide technology for use in generating electricity from qualifying Tier I or Tier II alternative energy sources pursuant to Alternative Energy Portfolio Standards Act No. 2004-213 (Act 213) and which will be operated in parallel with the Company's system. This Rate is limited to installations where the renewable energy generating system is intended primarily to offset part or all of the customer-generator's requirements for electricity. A customer-generator is a non-utility owner or operator of a net metered generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service (Rate R, RH, RT or CAP) or not larger than 1,000 kilowatts at other customer service locations (Rate GS, HT, PD and EP), except for Customers whose systems are above 1 megawatt and up to 2 megawatts who make their systems available to operate in parallel with the Company during grid emergencies as defined by the regional transmission organization or where a microgrid is in place for the purpose of maintaining critical infrastructure such as homeland security assignments, emergency services facilities, hospitals, traffic signals, wastewater treatment plants or telecommunications facilities provided that technical rules for operating generators interconnected with facilities of the Company have been promulgated by IEEE and the Commission.

Qualifying renewable energy installations are limited to Tier I and Tier II alternative energy sources as defined by Act 213 and Commission Regulations. The Customer's equipment must conform to the Commission's Interconnection Standards and Regulations pursuant to Act 213. This Rate is not applicable when the source of supply is service purchased from a neighboring electric utility under Borderline Service.

Service under this Rate is available upon request to customer-generators on a first come, first served basis so long as the total rated generating capacity installed by customer-generator facilities does not adversely impact service to other Customers and does not compromise the protection scheme(s) employed on the Company's electric distribution system.

METERING PROVISIONS:

A Customer may select one of the following metering options in conjunction with service under applicable Rate Schedule R, RH, RT, CAP, GS, HT, PD or EP.

1. A customer-generator facility used for net metering shall be equipped with a single bi-directional meter that can measure and record the flow of electricity in both directions at the same rate. A dual meter arrangement may be substituted for a single bi-directional meter at the Company's expense.
2. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense.

Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries or the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company 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.

(C) Denotes Change

RATE RS-2 NET METERING (continued)

(C)

BILLING PROVISIONS:

The following billing provisions apply to customer-generators in conjunction with service under applicable Rates R, RH, RT, CAP, GS, HT, PD, EP.

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. At the end of each billing period, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the billing period at the Company's avoided cost of wholesale power or the average locational marginal price (LMP) of energy, or its successor, over the billing period in the Company's transmission zone. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is 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 Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
4. If a net metering Customer served on Rate GS, HT, PD or EP generates electricity such that the self-generation results in a 10% or more reduction in the customer's purchase of electricity through the Company's transmission and distribution network for any calendar year when compared to the calendar year immediately prior to the installation of the generation, the net metering Customer shall be responsible for its share of stranded costs to prevent interclass or intraclass cost shifting. The Company, upon determination that the customer has or will exceed the 10% limitation, will rebill the customer for CTC charges, in an amount equal to the charges in the calendar year immediately prior to the installation of the generation. Such rebilling of CTC charges will be at the otherwise applicable CTC rate.

APPLICATION:

Customer-generators seeking to receive service under the provisions of this Rate must submit a written application to the Company demonstrating compliance with the Net Metering Rate provisions and quantifying the total rated generating capacity of the customer-generator facility.

MINIMUM CHARGE:

The Minimum Charges under Rate Schedule R, RH, RT, CAP, GS, PD, HT and EP apply for installations under this Rate.

RIDERS:

Bills rendered by the Company under this Rate shall be subject to charges stated in any other applicable Rate.

(C) Denotes Change

RATE R-S RENEWABLE ENERGY SERVICE

THIS RATE IS BEING WITHDRAWN

(C)

(C) Denotes Change

RATE R-S RENEWABLE ENERGY SERVICE (continued)

THIS RATE IS BEING WITHDRAWN

(C)

(C) Denotes Change

Brian D. Crowe
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April 27, 2007

R-00072134

APR 27 2007

Mr. James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Subject: Supplement No. 71 to Tariff Electric – PaPUC No. 3
Issued February 8, 2007 – to become effective on December 16, 2006
Final Rulemaking -Net Metering for Customer-generators pursuant to
Section 5 of the Alternative Energy Portfolio Standards Act, 73 P.S. §
1648.5, Docket L-00050174

Dear Mr. McNulty:

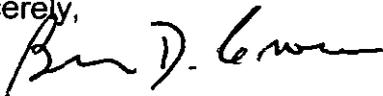
On February 8, 2007 PECO Energy Company filed Supplement No. 71 to Tariff Electric – PaPUC No. 3 issued February 8, 2007 to become effective on December 16, 2006 in order to implement the Commission's new net metering regulations and comply with the Commission's Secretarial Letter dated January 19, 2007.

Per discussion with Commission Staff we are enclosing for filing with the Commission eight copies of replacement pages as follows:

Original Page No. 40A – replacing the word "or" with the correction "of"
Original Page No. 40 B – addition of the word "actual"

Please acknowledge receipt of the foregoing by stamping the enclosed copy of this letter and returning it in the self-addressed stamped envelope provided herein.

Sincerely,



Copies to: R. Rosenthal, Director, Fixed Utility Services
T.E. Sheets, Director, Bureau of Audits
J. E. Simms, Director - Office of Trial Staff
R. F. Wilson, Bureau of Fixed Utility Services
Office of Consumer Advocate
Office of Small Business Advocate

BTL

131

RATE RS-2 NET METERING

(C)

PURPOSE:

This Rate sets forth the eligibility, terms and conditions applicable to Customers with installed qualifying customer-owned generation using a net metering system.

APPLICABILITY:

This Rate applies to customer-generators served under Rates R, RH, RT, CAP, GS, HT, PD and EP who install a device or devices which are, in the Company's judgment, subject to Commission review, a bona fide technology for use in generating electricity from qualifying Tier I or Tier II alternative energy sources pursuant to Alternative Energy Portfolio Standards Act No. 2004-213 (Act 213) and which will be operated in parallel with the Company's system. This Rate is limited to installations where the renewable energy generating system is intended primarily to offset part or all of the customer-generator's requirements for electricity. A customer-generator is a non-utility owner or operator of a net metered generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service (Rate R, RH, RT or CAP) or not larger than 1,000 kilowatts at other customer service locations (Rate GS, HT, PD and EP), except for Customers whose systems are above 1 megawatt and up to 2 megawatts who make their systems available to operate in parallel with the Company during grid emergencies as defined by the regional transmission organization or where a microgrid is in place for the purpose of maintaining critical infrastructure such as homeland security assignments, emergency services facilities, hospitals, traffic signals, wastewater treatment plants or telecommunications facilities provided that technical rules for operating generators interconnected with facilities of the Company have been promulgated by IEEE and the Commission.

Qualifying renewable energy installations are limited to Tier I and Tier II alternative energy sources as defined by Act 213 and Commission Regulations. The Customer's equipment must conform to the Commission's Interconnection Standards and Regulations pursuant to Act 213. This Rate is not applicable when the source of supply is service purchased from a neighboring electric utility under Borderline Service.

Service under this Rate is available upon request to customer-generators on a first come, first served basis so long as the total rated generating capacity installed by customer-generator facilities does not adversely impact service to other Customers and does not compromise the protection scheme(s) employed on the Company's electric distribution system.

METERING PROVISIONS:

A Customer may select one of the following metering options in conjunction with service under applicable Rate Schedule R, RH, RT, CAP, GS, HT, PD or EP.

1. A customer-generator facility used for net metering shall be equipped with a single bi-directional meter that can measure and record the flow of electricity in both directions at the same rate. A dual meter arrangement may be substituted for a single bi-directional meter at the Company's expense.
2. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense.

Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company 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.

(C) Denotes Change

Issued February 8, 2007

Effective December 16, 2006

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APR 27 2007

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

RATE RS-2 NET METERING (continued)

(C)

BILLING PROVISIONS:

The following billing provisions apply to customer-generators in conjunction with service under applicable Rates R, RH, RT, CAP, GS, HT, PD, EP.

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2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is 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 Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
4. If a net metering Customer served on Rate GS, HT, PD or EP generates electricity such that the self-generation results in a 10% or more reduction in the customer's purchase of electricity through the Company's transmission and distribution network for any calendar year when compared to the calendar year immediately prior to the installation of the generation, the net metering Customer shall be responsible for its share of stranded costs to prevent interclass or intraclass cost shifting. The Company, upon determination that the customer has or will exceed the 10% limitation, will rebill the customer for CTC charges, in an amount equal to the charges in the calendar year immediately prior to the installation of the generation. Such rebilling of CTC charges will be at the otherwise applicable CTC rate.

APPLICATION:

Customer-generators seeking to receive service under the provisions of this Rate must submit a written application to the Company demonstrating compliance with the Net Metering Rate provisions and quantifying the total rated generating capacity of the customer-generator facility.

MINIMUM CHARGE:

The Minimum Charges under Rate Schedule R, RH, RT, CAP, GS, PD, HT and EP apply for installations under this Rate.

RIDERS:

Bills rendered by the Company under this Rate shall be subject to charges stated in any other applicable Rate.

(C) Denotes Change

Issued February 8, 2007

Effective December 16, 2006

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APR 27 2007

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

RATE RS-2 NET METERING

(C)

PURPOSE:

This Rate sets forth the eligibility, terms and conditions applicable to Customers with installed qualifying customer-owned generation using a net metering system.

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Service under this Rate is available upon request to customer-generators on a first come, first served basis so long as the total rated generating capacity installed by customer-generator facilities does not adversely impact service to other Customers and does not compromise the protection scheme(s) employed on the Company's electric distribution system.

METERING PROVISIONS:

A Customer may select one of the following metering options in conjunction with service under applicable Rate Schedule R, RH, RT, CAP, GS, HT, PD or EP.

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2. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense.

Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of ~~or~~ the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company 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.

(C) Denotes Change

RATE RS-2 NET METERING (continued)

(C)

BILLING PROVISIONS:

The following billing provisions apply to customer-generators in conjunction with service under applicable Rates R, RH, RT, CAP, GS, HT, PD, EP.

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. At the end of each billing period, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the billing period at the Company's actual avoided cost of wholesale power or the average locational marginal price (LMP) of energy, or its successor, over the billing period in the Company's transmission zone. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is 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 Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
4. If a net metering Customer served on Rate GS, HT, PD or EP generates electricity such that the self-generation results in a 10% or more reduction in the customer's purchase of electricity through the Company's transmission and distribution network for any calendar year when compared to the calendar year immediately prior to the installation of the generation, the net metering Customer shall be responsible for its share of stranded costs to prevent interclass or intraclass cost shifting. The Company, upon determination that the customer has or will exceed the 10% limitation, will rebill the customer for CTC charges, in an amount equal to the charges in the calendar year immediately prior to the installation of the generation. Such rebilling of CTC charges will be at the otherwise applicable CTC rate.

APPLICATION:

Customer-generators seeking to receive service under the provisions of this Rate must submit a written application to the Company demonstrating compliance with the Net Metering Rate provisions and quantifying the total rated generating capacity of the customer-generator facility.

MINIMUM CHARGE:

The Minimum Charges under Rate Schedule R, RH, RT, CAP, GS, PD, HT and EP apply for installations under this Rate.

RIDERS:

Bills rendered by the Company under this Rate shall be subject to charges stated in any other applicable Rate.

(C) Denotes Change