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September 4, 2015

**VIA ELECTRONIC FILING**

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

RE: Dauphin County Industrial Development Authority v. PPL Electric Utilities Corporation; Docket No. C-2014-2450483

Dear Secretary Chiavetta:

Enclosed for electronic filing please find Dauphin County Industrial Development Authority's Petition for Reconsideration and/or Clarification, in the above referenced matter. If you have any questions regarding this filing, please contact me at your convenience.

Very truly yours,



Carl R. Shultz

CRS/jls  
Enclosure

cc: Hon. David A. Salapa (w/enc)  
Certificate of Service (w/enc)

## Certificate of Service


I hereby certify that I have, this day, effected service of a copy of the forgoing **Petition for Reconsideration and/or Clarification** upon the persons and in the manner indicated below, which service satisfies the requirements of 52 Pa. Code Section 1.54, as follows:

### Via Email and/or First Class Mail:

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Date: September 4, 2015



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Carl R. Shultz, Esquire

Attorney for Dauphin County Industrial  
Development Authority

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

DAUPHIN COUNTY INDUSTRIAL	:	
DEVELOPMENT AUTHORITY,	:	
	:	Docket No. C-2014-2450483
v.	:	
	:	
PPL ELECTRIC UTILITIES	:	
CORPORATION	:	

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**PETITION FOR RECONSIDERATION  
AND/OR CLARIFICATION**

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Pursuant to Section 703(g) of the Public Utility Code and 52 Pa. Code § 5.572, the Dauphin County Industrial Development Authority (“DCIDA” or “Authority”) submits this Petition for Reconsideration and/or Clarification of the Pennsylvania Public Utility Commission’s (“Commission”) Opinion and Order entered August 20, 2015 in the above-captioned proceeding (the “Final Order”).

**Petition for Reconsideration and/or Clarification**

1. For the reasons set forth herein, DCIDA submits that no reasonable justification has been presented by PPL or the Commission for calculating year-end compensation for time of use (“TOU”) net-metered customer-generators based on an average of the TOU Price-To-Compare (“PTC”) applicable to each hour in that year.

2. The Final Order does not fully recognize that DCIDA is a TOU net-metered customer-generator. PPL's TOU rates use hourly pricing. The TOU rates change twice each day (from off-peak to on-peak and from on-peak to off-peak). PPL must monitor each hour of consumption (or excess generation) of a TOU net-metered customer to determine if DCIDA consumed electricity in any given hour so that PPL can charge the applicable rate (either on-peak or off-peak) to that TOU net-metered customer-generator. For each (monthly) billing period, PPL is required to render a bill reflecting charges for on-peak usage and off-peak usage for each TOU net-metered customer-generator (regardless of Tier I and Tier II alternative energy resource being used by a TOU customer-generator) on an individual basis. Such hourly calculations only apply to TOU net-metered customer-generators, not every net-metered customer-generator.

3. The Final Order mischaracterizes the burden of calculating the excess generation for each (monthly) billing period based on the time when the excess generation actually was delivered by the TOU net-metered customer-generator to PPL. *See, e.g.*, Final Order, p. 19-22. PPL can render bills for each (monthly) billing period reflecting the hourly charges for on-peak and off-peak consumption by a TOU net-metered customer-generator within that month, and nothing suggests that it would be unduly burdensome for PPL to perform that same hourly calculation in a (monthly) billing period for excess generation when the monthly

excess generation actually was delivered by the TOU net-metered customer-generator to PPL. Additionally, it should be made clear PPL does not have a large number of small commercial and industrial TOU net-metered customer-generators. To wit, in February 2014, PPL had a total of four (4) such TOU net-metered customer-generators, including the DCIDA.<sup>1</sup>

4. The Final Order is internally inconsistent. The Final Order explains that the end-of-year payment for excess generation is to be based on the PTC in place for each (monthly) billing period. Final Order, p. 21. However, the Commission did not require PPL to calculate a rate of compensation for each (monthly) billing period.<sup>2</sup> No monthly or billing period calculations were made by PPL. Rather than a calculation based on the rate in each billing period, PPL calculated a yearly average. Final Order, p. 3, 13, 22. PPL determined that 35% of the hours in the year are on peak and 65% were off peak for the period June 1, 2013 to May 31, 2014. PPL applied those annual percentages to determine the

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<sup>1</sup> *Petition of PPL Electric Utilities Corporation for Approval of a New Pilot Time-of-Use Program*, PUC Docket No. P-2013-2389572, Main Brief of the Office of Small Business Advocate (dated March 21, 2014, at p. 8, *citing*, Transcript at 12, lines 21 to 24.

<sup>2</sup> Even with frozen TOU rates, an average compensation rate for each month/billing period would vary due to the different percentage of on-peak hours and off-peak hours in each month/billing period. The percentage of on-peak hours and off-peak hours varies each month/billing period based on the season (Summer versus Non-Summer), holidays, and number of days in a given month. *See, e.g.*, PPL Tariff, Supplement No. 133, to Electric PA PUC No 201, Eleventh Revised Page Nos. 19Z.5B (regarding Non-Summer Period and Summer Period) and 19Z.5C (regarding Non-Summer Peak Hours and Summer Peak Hours for GS-1 customers) as they existing during the applicable compensation/PJM planning year.

average rate of compensation that was applied to DCIDA (and other TOU net-metered customer-generators). But, that calculation - as used by PPL and approved by the Final Order - fails to give any actual weight to any actual rate in effect in any actual billing period.

5. By permitting the use of a yearly average, the Final Order ignores the requirement in the *Final Omitted Rulemaking Order*<sup>3</sup> and *Jensen*<sup>4</sup> that compensation be based on the rates in effect when the monthly excess generation actually was delivered by the TOU net-metered customer-generator to the Electric Distribution Company (“EDC”). This also disregards the existence of the *Advanced Notice*<sup>5</sup> wherein the Commission proposed the codification of the interpretation in the *Final Omitted Rulemaking Order* and *Jensen*.<sup>6</sup>

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<sup>3</sup> *Final Omitted Rulemaking Order* at Docket No. L-00050174, Order entered on July 2, 2008, wherein the Commission explained (on page 20) that compensation to net-metering customers “shall be calculated by using the weighted average generation and transmission rates, with the weighting based on the rates in effect when the monthly excess generation actually was delivered by the customer-generator to the EDC.” (emphasis added).

<sup>4</sup> *Mary Jo Jensen v. PECO Energy Company*, Docket No. F-2011-2270675 (Order entered December 20, 2012) (“Jensen”).

<sup>5</sup> *Implementation of the Alternate Energy Portfolio Standards Act of 2008*, Docket No. L-2014-2404361 (Advance Notice of Final Rulemaking Order entered April 23, 2015) (“Advance Notice”).

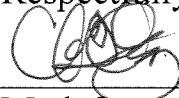
<sup>6</sup> The proposed language to Section 75.13(e) which states that “[i]n computing the compensation, the DSP shall use a weighted average of the price to compare rate with the weighting based on the rate in effect when the excess generation was actually delivered by the customer generator to the DSP.” Final Order, p. 15, *citing*, DCIDA Exc. at 8, *citing* Advanced Notice, Appendix A at 25.

6. Reconsideration and/or clarification of these issues is reasonable and in the public interest. Specifically, further action by the Commission on these issues will (hopefully) obviate future litigation and expense regarding the use year-end compensation calculations by PPL.

### **Conclusion**

Wherefore, the Authority prays this Commission to grant this Petition for Reconsideration and/or Clarification and issue an order consistent with the recommendations set forth herein.

Respectfully submitted,



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Date: September 4, 2015

Attorneys for Dauphin County Industrial  
Development Authority

### Verification

I, Carl R. Shultz state that I am an Attorney of Record for the Dauphin County Industrial Development Authority (“DCIDA” or “Authority”) and that as such I am authorized to make this verification on its behalf. I hereby state that the facts contained in the foregoing Petition for Reconsideration/Clarification are true and correct (or are true and correct to the best of my knowledge, information and belief). I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904, relating to unsworn falsification to authorities.



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Carl R. Shultz, Esquire