

July 30, 2019

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120

**RE:       Petition of PPL Electric Utilities Corporation for Approval of Tariff  
          Modifications and Waivers of Regulations Necessary to Implement its  
          Distributed Energy Resources Management Plan  
          Docket No. P-2019-3010128**

**Petition to Intervene of Sunrun Inc.**

Secretary Chiavetta:

Enclosed please find the *Petition to Intervene of Sunrun Inc.* for filing in the above-referenced proceeding. Please contact me if you have any questions concerning this matter

Sincerely,

/s/ James M. Van Nostrand

James M. Van Nostrand  
Keyes & Fox LLP

*Counsel to Sunrun Inc.*

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation	:	
for Approval of Tariff Modifications and	:	
Waivers of Regulations Necessary to	:	Docket No. P-2019-3010128
Implement its Distributed Energy Resources	:	
Management Plan	:	

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**PETITION TO INTERVENE OF SUNRUN INC.**

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DATE: July 30, 2019

*Counsel to Sunrun Inc.*

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Petition of PPL Electric Utilities Corporation	:	
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**PETITION TO INTERVENE OF SUNRUN INC.**

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Pursuant to 52 Pa. Code §§ 5.71 – 5.75 and the Secretarial Letter dated July 10, 2019 in the above-captioned proceeding, Sunrun Inc. (“Sunrun”) hereby petitions the Pennsylvania Public Utility Commission (“Commission”) for leave to intervene in the above-referenced proceeding. In support of this petition, Sunrun states the following:

**I. Introduction and Background**

Sunrun is the largest residential solar, storage, and energy service company in the country with more than 240,000 customers in 23 states (including Pennsylvania), the District of Columbia and Puerto Rico. Sunrun pioneered the “solar-as-a-service” model over 12 years ago to make solar energy more accessible. With Sunrun’s residential rooftop solar, storage, and energy services, homeowners are saving money, reducing their greenhouse gas footprint, and delivering grid benefits and lowering system costs for other ratepayers. Sunrun has an ownership and/or other interests in distributed energy resources (“DERs”) in Pennsylvania and the PPL Electric Utilities Corporation’s (“PPL” or “Company”) service territory.

On May 24, 2019, PPL submitted the *Petition of PPL Electric Utilities Corporation for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its Distributed Energy Resources Management Plan* (“Petition”) in the above-referenced docket.

PPL's Petition requests Commission approval of certain modifications to the Company's net metering and interconnection requirements in order to implement PPL's proposed "DER Management Plan" ("Plan") and waivers of certain Commission regulations necessary to implement PPL's Plan.<sup>1</sup>

PPL's proposed Plan would, among other things, require customers applying to interconnect new DERs to PPL's distribution system to (1) use Company-approved smart inverters that are compliant with IEEE 1547-2018 and forthcoming UL Standard 1741; and (2) install devices that enable PPL to monitor and proactively manage a customer's DER.<sup>2</sup> At the heart of PPL's Plan is direct utility control over customer and third-party owned DERs. PPL asserts that direct utility control will, among other things, enable PPL to:

- (1) Improve system efficiency, power quality, and reliability;
- (2) Operate more safely;
- (3) Increase the number of DERs that can be interconnected with the constrained portions of the Company's distribution system; and
- (4) Reduce capital investments by the Company where DER installations have traditionally required capital-intensive system enhancements or upgrades.<sup>3</sup>

Sunrun supports the improved grid operations, safety, DER expansion, and ratepayer saving goals that PPL identifies. Critically, however, PPL incorrectly implies that achieving these goals requires utility control over DERs and the associated revisions the Company seeks to its interconnection and net metering tariffs. These goals are being achieved in other states and utility service territories by leveraging competitive DER market providers' core competencies in DER deployment, customer engagement and DER management through utility programs that

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<sup>1</sup> Docket No. P-2019-3010128, Petition of PPL Electric Utilities Corporation for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its Distributed Energy Resources Management Plan at p. 1 (May 24, 2019) ("PPL Petition").

<sup>2</sup> *Id.* at p. 2.

<sup>3</sup> *Id.* at pp. 2-3.

offer compensation for the grid services provided by customer-sited DERs to encourage customers to enroll and participate in these programs to reduce systems costs and provide ratepayer value.

Indeed, the ability to leverage rooftop solar, battery storage, and other DERs to deliver customer and grid value is not a vague concept to be realized at some point in the future. The numerous benefits that DERs provide customers, utilities and ratepayers are a reality now. States and utilities across the country are implementing programs that leverage the customer engagement and DER deployment and management expertise of non-utility, private market participants to deliver innovative grid services that reduce ratepayer costs and advance clean energy and grid modernization goals.<sup>4</sup> PPL's Petition implicitly acknowledges that the grid value that customer-sited DERs offer; however, PPL's Plan suggests that these customers would not be compensated for the services PPL would obtain from direct control over these customers DERs.

## **II. Legal Standard**

52 Pa. Code § 5.72(a) provides, in part, that a petition to intervene may be filed by a person claiming an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought. The right or interest may include an interest which may be directly affected and which is not adequately represented by existing participants, and as to which the petitioner may be bound by the action of the

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<sup>4</sup> See, e.g., Cal. Pub. Utils Comm'n, Rulemaking 14-10-003, *Order Instituting Rulemaking to Create a Consistent Regulatory Framework for the Guidance, Planning and Evaluation of Integrated Distributed Energy Resources*; Mass. Dept. of Pub. Utils, Docket Nos. 18-110—18-119, *Order Approving Massachusetts Joint Statewide Electric and Gas Three-Year Energy Efficiency Plan 2019-2021* (Jan 29, 2019); Long Island Power Authority, *Approval of Modifications to LIPA's Tariff For Electric Service to Enable Energy Storage Systems to Participate in Dynamic Load Management* (May 22, 2019); Vermont Pub. Util. Comm'n, Docket No. 18-1633-PET, *Memorandum of Understanding Between Green Mountain Power and Renewable Energy Vermont* (Mar. 26, 2019).

Commission in the proceeding; or another interest of such nature that participation of the petitioner may be in the public interest.

**A. *PPL's petition directly and substantially impacts Sunrun's interests.***

The approvals PPL seeks from the Commission in its Petition directly and substantially impact Sunrun's interests. PPL's proposal to *require* customers to relinquish control of their DER to the Company is a dramatic departure from national trends and raises numerous substantive concerns, including, but not limited to, the potential for increased costs to interconnecting customers, loss of value from the reduced operation of customers' DERs, lack of compensation for providing grid services, and numerous DER operation and management concerns. Moreover, the Petition lacks critical details, including, but not limited to, information about agreements for utility control of customer and third-party owned DERs, whether ratepayers or DER customers would bear certain costs for installing the additional control and communication devices, and whether and how DER customers would be compensated for curtailment and other grid services that PPL seeks to obtain through direct control of customers' DERs.

If approved, PPL's proposed changes to its net metering and interconnection tariffs would directly impact the operation and management of DERs in PPL's service territory and the value proposition to customers interested in installing DERs. PPL's petition raises numerous financial, policy and technical considerations, including DER financability and future DER deployment, increased costs to customers for complying with PPL's Plan, impacts on customer investments in DERs due to the significant risk of lost production and altered operations, and the timing proposed by PPL to implement the yet to be finalized IEEE Standard 1547-2018 and UL Standard 1741 for advanced inverter certification.

DER developers, such as Sunrun, work with their customers to program inverters and help customers understand how to best manage their devices to maximize value under various programs, such as Pennsylvania's net metering program. While customers have traditionally adopted DERs to generate clean electricity and provide back-up power, states and utilities around the country are increasingly adopting programs that encourage customers to enroll their DERs to participate in grid service programs (such as demand response, peak reduction, and other "pay for performance" programs) either directly or through third-party aggregators.<sup>5</sup>

These programs acknowledge the broader grid and ratepayer value of customer-sited DERs and seek to leverage that value by providing customers with options to enroll and participate in these programs and receive compensation for the services provided. PPL's Petition implies that customers should not be compensated for the value that they would contribute to the grid or the lost value of reduced operation of their DER under PPL's Plan. The exclusion of these considerations in the Petition raises significant concerns regarding whether and how customers would be compensated for services that PPL would obtain from those customers' DERs under its Plan. The Commission's disposition on PPL's Petition therefore directly and substantially impacts Sunrun's interests.

**B. *Sunrun's interests are not represented by any other party.***

No other entity represents or can represent Sunrun's interests in this proceeding. While other solar organizations may become parties to this proceeding, or other parties may address some of the same issues as Sunrun, the expertise and perspective that Sunrun brings to the proceeding and Sunrun's private interests, are such that other parties are unable to adequately represent Sunrun's interests.

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<sup>5</sup> See, e.g., *id.*

Sunrun has significant experience working with regulators, utilities, and stakeholders across the country on a wide variety of economic, technical, and public policy issues implicated by PPL's Petition. Sunrun's experience includes participating in proceedings before commissions in other states investigating the appropriate timing for the rollout of IEEE Standard 1547-2018 and UL Standard 1741 for advanced inverters and proceedings that have investigated proposals by other utilities to assert direct control over customers' DERs. Sunrun's participation in this proceeding will assist the Commission in developing a full and complete record.

### **III. Communications and Correspondence Concerning this Docket**

Sunrun respectfully requests that communications and correspondence concerning this docket be directed to the following:

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### **IV. Conclusion**

For the foregoing reasons, Sunrun requests the Commission grant this Petition to Intervene with all rights attached thereto.

Respectfully submitted this 30<sup>th</sup> day of July 2019.

*/s/ James M. Van Nostrand*  
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*Counsel to Sunrun Inc.*

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Implement its Distributed Energy Resources :  
Management Plan :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the following document, the *Petition to Intervene of Sunrun Inc.*, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

VIA E-MAIL

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For Sustainable Energy Fund

VIA FIRST CLASS MAIL, POSTAGE PREPAID

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Dated this 30<sup>th</sup> date of July 2019.

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