


COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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September 9, 2019

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
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

Dear Secretary Chiavetta:

Attached for electronic filing please find the Office of Consumer Advocate's Prehearing Memorandum in the above-referenced proceeding.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Phillip D. Demanchick".

Phillip D. Demanchick  
Assistant Consumer Advocate  
PA Attorney I.D. # 324761  
E-Mail: [PDemanchick@paoca.org](mailto:PDemanchick@paoca.org)

Enclosure:

cc: The Honorable Emily I. DeVoe, ALJ  
Certificate of Service

\*278417

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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PREHEARING MEMORANDUM  
OF THE  
OFFICE OF CONSUMER ADVOCATE

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Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. Section 333, and the Prehearing Conference Order of Administrative Law Judge Emily DeVoe (ALJ DeVoe) issued on August 28, 2019, in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

**I. INTRODUCTION**

On May 24, 2019, PPL Electric Utilities Corporation (PPL or Company) filed a Petition for Approval of Tariff Modifications and Waivers of Regulations to Implement its Distributed Energy Resources Management Plan (Petition). Through its Petition, the Company requests Commission approval to waive several Commission Regulations and modify its tariff to add Rule 12, entitled Distributed Energy Resource Interconnection Service (DERIS). Petition, App. A. As drafted, DERIS would require applicants seeking approval to interconnect DERs with PPL's distribution grid to install smart inverters and a DER management device. Petition ¶ 36. With this technology, the Company would be able to monitor and manage the customer's DER remotely. Petition ¶ 37.

On July 30, 2019, the OCA and the Sustainable Energy Fund (SEF) each filed an Answer responding to the Company's Petition. Answers and Petitions to Intervene were also submitted by the National Resources Defense Council (NRDC) and Sunrun Inc. (Sunrun). Although not seeking to intervene in the proceeding, the following parties submitted Comments requesting denial of the Petition, or in the alternative, requesting a suspension of the tariff revisions and establishment of a stakeholder proceeding to thoroughly examine the major policy and technical issues: Trinity Solar, GridLab, the Solar Unified Network of Western Pennsylvania, Energy Independent Solutions, LLC, the Interstate Renewable Energy Council, the Pennsylvania Solar Energy Industries Association, and Exact Solar.

The Petition was assigned to the Office of Administrative Law Judge and was further assigned to ALJ DeVoe for investigation and the scheduling of hearings. On August 28, 2019, ALJ DeVoe issued a Prehearing Conference Order scheduling a prehearing conference for September 11, 2019. The OCA submits this Prehearing Memorandum in accord with the Prehearing Conference Order in this matter.

## **II. PRELIMINARY MATTERS**

On August 22, 2019, PPL sent a letter to the Secretary of the Commission advocating that its proposal be reviewed through the standard administrative litigation process, rather than be denied or addressed in a statewide proceeding, as requested by the intervening parties. In response, on August 30, 2019, Sunrun and NRDC jointly filed a Motion for Leave to Reply and Reply to PPL Electric Utilities Corporation Letter Response and Request for Hearing (Motion). Through its Motion, Sunrun and NRDC request that the Commission, or the Presiding Officer, first address whether to deny PPL's Petition, or, if not denied, whether a statewide proceeding should be initiated to address the implementation of smart inverters.

As stated in its Answer, the OCA has raised several concerns with PPL's Petition, which will be further identified below. Due to these concerns, the OCA has recommended that the Commission deny PPL's Petition, or in the alternative, initiate a statewide approach so that many of the affected stakeholders can address the broader technical and policy aspects raised by the Company's proposal. Accordingly, the OCA supports Sunrun and NRDC's Motion requesting a ruling on whether a statewide proceeding would be the more appropriate forum for this matter.

### **III. ISSUES AND SUB-ISSUES**

Based upon a preliminary analysis of the Company's Petition, the OCA has identified numerous issues that it intends to investigate further in this proceeding. As listed below:

- Smart Inverter Standards: The OCA stated in its Answer that the Company's Petition is premature because it precedes completion of the applicable industry standards. Accordingly, the OCA will examine, at greater length, the industry standards that are applicable to smart inverters, the current status of those standards, and how PPL intends to implement those standards or modify its procedures and processes to ensure consistency.
- PPL's Operation Criteria: The OCA noted in its Answer that the Company's proposed tariff revisions lack specificity and provide substantial discretion to PPL. The OCA will examine the Company's proposed method of operating the smart inverters, such as how it intends to set the autonomous functions, its criteria for remotely operating smart inverters through the communications device, and its certification criteria.
- Benefits of Smart Inverters: The Company listed numerous benefits these smart inverters would have on the PPL electric system, including the ability to interconnect distributed energy resources that would otherwise require substantial upgrades to its distribution system. The OCA intends to investigate PPL's claimed benefits to the distribution grid and the extent ratepayers will benefit.
- Consumer Protections: The OCA noted in its Answer that the Company's proposal failed to address important consumer protections that may be needed. Accordingly, the OCA intends to investigate whether PPL will implement any consumer protections and how consumers will be notified of these changes.

It is anticipated that other issues will arise and may be pursued as discovery proceeds.

#### **IV. WITNESSES**

The OCA is in the process of obtaining an expert witness for this proceeding. Once obtained, the OCA intends to present the direct, rebuttal, and surrebuttal testimony, as may be necessary, of that witness. The OCA's witness will present testimony in written form and will also attach various exhibits, documents, and explanatory information which will assist in the presentation of the OCA's case. As soon as the OCA has determined its witness in this proceeding, the OCA will promptly notify ALJ DeVoe and all parties of record.

#### **V. SERVICE ON OCA**

The OCA will be represented in this case by Senior Assistant Consumer Advocate Darryl A. Lawrence, and Assistant Consumer Advocates David T. Evrard and Phillip D. Demanchick.

Two copies of all documents should be served on the OCA as follows:

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As a courtesy, the OCA requests that all electronic correspondence be additionally copied to David T. Evrard (devrard@paoca.org) and Darryl A. Lawrence (DLawrence@paoca.org).

**VI. DISCOVERY**

At this time, the OCA does not propose any modifications to the Commission’s discovery rules.

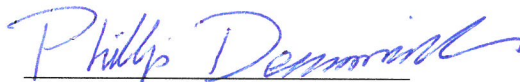
**VII. PROPOSED SCHEDULE**

The OCA will work diligently in coordinating a litigation schedule that will be acceptable to the Presiding Officer and all active parties involved in this proceeding. The OCA, however, requests that all dates included in the schedule be considered “in-hand” dates and that electronic service by 4:30 pm on the due date will satisfy the “in-hand” requirement, where hard copies are sent by first-class mail.

**VIII. SETTLEMENT**

The OCA is willing to engage in settlement discussions with the Parties.

Respectfully Submitted,



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Dated: September 9, 2019  
278469

Counsel for:  
Tanya J. McCloskey  
Acting Consumer Advocate

CERTIFICATE OF SERVICE

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

I hereby certify that I have this day served a true copy of the following document, the Office of Consumer Advocate's Prehearing Memorandum, 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:

Dated this 9<sup>th</sup> day of September 2019.

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