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March 1, 2021

**VIA ELECTRONIC FILING**

Secretary Rosemary Chiavetta  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Proposed Implementation of Act 114 of 2020**  
**Docket No. M-2020-3023323**

Dear Secretary Chiavetta:

Enclosed for filing please find the Comments of WGL Energy Services, Inc. in the above-captioned matter.

If you have any questions or need any additional information regarding this filing, please do not hesitate to contact me.

Best Regards,

STEVENS & LEE



Michael A. Gruin, Esq.

Enclosure

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Proposed Implementation of Act 114 of 2020 : Docket No. M-2020-3023323  
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**COMMENTS OF WGL ENERGY SERVICES, INC.**

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WGL Energy Services, Inc. (“WGL Energy”) hereby files these comments in response to the Pennsylvania Public Utility Commission’s (“Commission”) Tentative Order, published in the Pennsylvania Bulletin on January 30, 2021. In the Tentative Order, the Commission requests comments on the Commission’s proposed interpretation and implementation of Sections 10 and 14 of Act 114 of 2020.

Section 1799.10-E(b) of Act 114 of 2020 (“The Act”) provides that contracts entered into or renewed on or after the effective date of the Act (November 23, 2020) are subject to the provisions of Section 1799.10-E. The Commission proposes to interpret Subsection 1799.10-E(b) as limiting the eligibility of contracts entered into prior to November 23, 2020 for the sale and purchase of Alternative Energy Credits (“AEC”) to be grandfathered under the exception in Subsection 1799.10-E(a)(2)(ii) to the duration of those contracts.<sup>1</sup>

Moreover, the Commission interprets Section 1799.10-E(a)(2)(ii) to only permit out-of-state facilities that are (a) already certified as a Tier II AES and that (b) are the subject of contracts with a Pennsylvania EDC or EGS serving Pennsylvania customers in effect on November 23, 2020, for the sale of Tier II AECs, to maintain certification until the expiration of

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<sup>1</sup> PA PUC. Docket No. M-2020-3023323. Tentative Order. Page 10. 1/30/21.

the contract. If the Commission deems the existing contract for Tier II AECs eligible, eligibility will be valid for the term of the contract and in accordance with the banking provisions. For open-ended contracts or contracts that automatically renew, eligibility will terminate at the end of the current term of the last renewal that occurred prior to November 23, 2020.<sup>2</sup>

The Commission proposes that any Electric Distribution Company (“EDC”) or Electric Generation Supplier (“EGS”) seeking to use Tier II AECs generated after November 2020 from Alternative Energy Systems (“AES”) located outside Pennsylvania and subject to contracts entered into prior to November 23, 2020, to meet Tier II AEC requirements, to file a petition seeking Commission approval after a Final Implementation Order in this Docket. EDCs and EGSs would clearly identify in their petitions why the AECs so purchased are eligible to meet their AEPS Act Tier II requirements.<sup>3</sup>

### **WGL Energy’s Comments**

WGL Energy seeks clarification whether contracts to purchase out of state AEC Tier II AECs, that are executed after the effective date of November 23, 2020 where the Tier II AECs are listed as generated on or before November 2020 in the PJM Generator Attribute Tracking System (GATS) still qualify as grandfathered contracts under the Act. WGL Energy seeks to confirm that such contracts will be grandfathered in and that no petition will be required to be filed with the Commission.

### **Conclusion**

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<sup>2</sup> PA PUC. Docket No. M-2020-3023323. Tentative Order. Page 10. 1/30/21.

<sup>3</sup> PA PUC. Docket No. M-2020-3023323. Tentative Order. Page 11. 1/30/21.

WGL Energy looks forward to continued engagement with the Commission and other stakeholders on this matter.

March 1, 2021

Respectfully submitted,

A handwritten signature in cursive script, reading "Antonio Soruco". The signature is written in black ink and is positioned above a horizontal line.

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Antonio Soruco  
State Regulatory & Legislative Affairs Manager  
WGL Energy  
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