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March 1, 2024

VIA E-FILING

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

**RE: Leonardo Sanchez v. PECO Energy Company
Docket No. F-2022-3037286**

Dear Ms. Chiavetta:

Enclosed for filing with the Commission is the *Memorandum of Law of Respondent, PECO Energy Company*.

I have enclosed a Certificate of Service showing that a copy of the above document was served on the interested parties. Thank you for your time and attention on this matter.

Very truly yours,

A handwritten signature in blue ink that reads "Khadijah Scott".

Khadijah Scott, Esquire
Assistant General Counsel, PECO Energy Company

Encl.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

LEONARDO SANCHEZ	:	
Complainant	:	
	:	
v.	:	DOCKET NO. F-2022-3037286
	:	
	:	
PECO ENERGY COMPANY	:	
Respondent	:	

**MEMORANDUM OF LAW OF RESPONDENT,
PECO ENERGY COMPANY**

I. Procedural History

On December 19, 2022, PECO Energy Company ("PECO") was served with a formal complaint filed by Leonardo Sanchez ("Complainant"). Within his Complaint, the Complainant states that his bills are incorrect. Specifically, he states that his solar panels produce more kilowatt-hours ("kWh") than what PECO Energy has reported to him over the course of many years. On April 25, 2023, a formal Complaint hearing took place before the Honorable Administrative Law Judge Conrad Johnson. The Complainant testified on his own behalf. PECO presented the testimony of billing manager, Gina Engle and manager of New Business, Brian Barr. On December 4, 2023, a further hearing was scheduled and took place. The Complainant testified on his own behalf. PECO presented the testimony of billing senior analyst, Robert Black and high bill field technician, Andrew Leake.

II. Findings of Fact

1. The Complainant is Leonardo Sanchez.
2. The Respondent is PECO Energy Company.
3. PECO's customer of record for the account ending in 07047 is Veronica Sanchez. PECO Ex. 2.

4. Veronica Sanchez established electric service in May 2021.
5. Veronica Sanchez is a residential solar customer with PECO. PECO Ex. 2
6. Veronica Sanchez has an address for service at 109 Crump Rd., Exton, PA 19341. PECO Ex. 2
7. The Complainant resides at 109 Crump Rd., Exton, PA 19341.
8. On September 14, 2022, the Complainant filed an Informal Complaint with the Bureau of Consumer Services (“BCS”) under case number 003864282.
9. On November 30, 2022, the BCS rendered a decision, dismissing the case.
10. On December 19, 2022, the Complainant filed a formal Complaint with the Public Utility Commission (“PUC”).
11. On January 6, 2023, PECO filed an Answer to the Complainant’s Complaint.
12. PECO has two meters, installed at 109 Crump Rd., Exton, PA 19341. PECO Ex. 2
13. On March 3, 2023, PECO inspected both meters at 109 Crump Rd., Exton, PA 19341. PECO Ex. 4; Transcript (“Tr.”) 205, 207.
14. The inflow meter (120053242) when tested was reading accurately and within PUC guidelines. PECO Ex. 4; Tr. 207.
15. The outflow meter (120053241) when tested was reading accurately and within PUC guidelines. PECO Ex. 4; Tr. 207.
16. A third meter, owned and operated by Tesla, is placed at the property of 109 Crump Rd., Exton, PA 19341. Tr. 211.
17. PECO does not own or operate the Tesla meter. Tr. 208-209.

III. Issues

The Complainant asserts that his solar panels produce more kWh than what PECO Energy has reported to him over the course of many years. He also asserts that Tesla provides him information regarding his production of energy that is higher than what PECO provides on

its monthly billing statements and what it credits him per month on the account of Veronica Sanchez. The Complainant further asserts that he is not being credited for distribution, transmission and generation charges. The Complainant avers that he is entitled to a refund.

PECO asserts that the customer of record, Veronica Sanchez, has been properly billed and credited to her account each month in compliance with PECO's Electric Tariff ("tariff") and the Alternative Energy Portfolio Standards Act (AEPS).

IV. Legal Argument

The Complainant is not entitled to a refund or credit.

The Complainant alleges that his property, located at 109 Crump Street, Downingtown PA was enrolled for solar with Solar City. Solar City has since become Tesla Solar ("Tesla"). The Complainant further avers that the generation information that is provided to him by Tesla does not coincide with information that is provided to him by PECO. Inasmuch as the Tesla numbers are "higher," he believes that PECO's meters are not reading his usage accurately and is requesting a refund for the credits that he assert he is owed.

In this matter, Veronica Sanchez is a residential solar customer receiving electric service from PECO at 109 Crump Street, Downingtown PA. The solar panels that the Complainant had installed by Tesla at his property are designed to convert sunlight into energy. Tesla is a private energy company and is not affiliated with PECO. The inverter converts solar energy from direct current into alternating current to power the Complainant's home. PECO's smart meters measure the amount of energy from the smart grid and excess energy to the smart grid. Any excess energy is sent to the smart grid. It is important to note that a solar energy system must be appropriately sized to gain maximum benefit. It is also important to note that the production of a private solar energy system can vary, based on weather, tree cover, required maintenance and

other miscellaneous factors. Receiving credits on an energy bill will only take place when Veronica Sanchez produces more energy than she uses. If she produces less energy than the energy used, then there will be zero (0) excess kWh to the smart grid. If Mrs. Sanchez's energy produced is greater than the energy used, then there will be an excess kWh sent to the smart grid. This is referred to as net metering. Net metering has been defined by the PUC as:

[t]he means of measuring the difference between the electricity supplied by an electric utility or EGS and the electricity generated by a customer-generator when any portion of the electricity generated by the alternative energy generation system is used to offset part or all of the customer-generator's requirements for electricity.

See, Net Metering – Use of Third Party Operators, PUC Final Order, Docket No.

M-2011-2249441 at 3.

As testified to by PECO during the initial and further formal complaint hearings, PECO has two meters, numbered 120053241 (outflow) and 120053242 (inflow) installed at the Complainant's property. PECO Ex. 2 and 4. On March 3, 2023, both meters were tested and were found to be accurate and working within PUC guidelines. PECO Ex. 4; Tr. 206-07. The inflow meter tells PECO what is used by the customer from PECO. TR. 183 The outflow meter registers what is going back to the grid. *Id.* A third Tesla meter would also be installed at the Complainant's property and owned by the solar company. Tr. 182. Tesla is to provide generation information to its customers. *Id. See also, AEPS.* PECO does not own the Tesla meter. Tr. 205. A renewable customer-generator is a (C) 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, or CAP). *See, PECO Electric Utility Tariff ("tariff") Rates RS-2 Net Metering at 53. See also, AEPS, 2007 Act 35.* Thus, PECO does not have authority to test or provide meter maintenance to the Tesla meter. PECO is not in any way affiliated with the

Tesla meter. PECO is not in any way associated with the accuracy of the information that the Tesla meter produces.

Moreover, PECO does not have a line of sight to the total amount of generation that the customer's solar panels produce at its property. Tr. 182. Likewise, Tesla does not have a line of sight to know what is being sent back to the grid by a customer. Tesla is only monitoring what is being produced. Hence, PECO's inflow and excess outflow meters are not measuring the same information as the third, Tesla solar meter. PECO's meters do not measure what the solar panels generate. Thus, it is not expected that the information provided by Tesla would be equal to or "match" the information captured and provided by PECO. In addition, Tesla is providing its customer information based on a calendar month, whereas, PECO has bill routes, which are not calendar months. Accordingly, PECO and Tesla's data will not match as each company is tracking different information, *i.e.*, production versus usage from grid, and extra KWh that are sent out to PECO's grid.

It is undisputed that PECO's customer of record is advised each and every month of PECO's usage information. PECO lists all solar related information on each monthly bill distributed to its customer of record, Veronica Sanchez. If Mrs. Sanchez generates more than she has used, then that information would be listed in her banked value on the right side of the 2nd page of her monthly bill. PECO Ex. 2.; Tr. 153. The previously banked distribution, current change in banked distribution, current adjustment to banked distribution and remaining banked distribution is listed for the customer's review. PECO Ex. 2. In addition, each monthly bill provides the previous banked generation, current change in banked generation, current adjustment to banked generation due to settlement or electric generation supplier switch and the remaining banked generation. *Id.*

The Complainant also asserts that he has not been credited for distribution, transmission and customer charges during the months that he has generated more kWh than what was used in consumption. This issue is also without merit. As testified to during the hearing, there are billing and customer charges associated with each customer's PECO account, regardless of whether they receive net metering. Tr. 154. PECO does pay for the distribution portion of the billing when the excess kWh go back to the grid. Tr. 154-56. The customer receives full credit for both distribution and supply for the excess generation that is sent back to the grid. *Id.*

Pursuant to PECO's tariff, Rate RS-2 Net Metering, Billing Provisions:

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. If a customer generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours will continue to accumulate until the end of the PJM planning period ending May 31 of each year. On an annual basis, 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 preceding year at the "full retail value for all energy produced" consistent with Commission regulations. 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.

See, Tariff at 54. (emphasis added)

Thus, PECO's customer of record, Veronica Sanchez has been billed properly for all electric usage. PECO's customer of record has been credited properly for all excess usage. The bills and balance are correct. This issue is without merit.

V. Conclusion

Accordingly, for the reasons set forth above, PECO Energy respectfully requests that the Complainant's Complaint be denied in its entirety.

Respectfully Submitted,



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Fax: 215.568.3389
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VERIFICATION

I, Khadijah Scott, hereby declare that I am counsel for PECO Energy Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Pleading are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. §4904 pertaining to false statements to authorities.

Dated: March 1, 2024



Khadijah Scott

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PECO ENERGY COMPANY	:	
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CERTIFICATE OF SERVICE

I, Khadijah Scott, hereby certify that I have this day served a copy of PECO Energy Company's Memorandum of Law in the above matter upon all interested parties by e-mailing a copy to:

LEONARDO SANCHEZ
109 CRUMB RD.
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Via Email: leonardvero@gmail.com

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Center City Philadelphia Office
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Philadelphia, PA 19103
Via Email: i.fight4justice@gmail.comz

Dated: March 1, 2024



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