

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120**

Public Meeting held May 23, 2024

Commissioners Present:

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair
Ralph V. Yanora
Kathryn L. Zerfuss
John F. Coleman, Jr.

Petition of PPL Electric Utilities Corporation for
Approval of Tariff Modifications and Waivers of
Regulations Necessary to Implement its Distributed
Energy Resources Management Plan

P-2019-3010128

OPINION AND ORDER

BY THE COMMISSION:

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Petition (Petition) of the Joint Solar Parties¹ for Rescission or Modification of the PPL Electric Utilities Corporation Distributed Energy Resources (DER) Management Pilot (DER Pilot or Pilot Program), as approved by the

¹ Tesla, Inc. (Tesla), Sun Directed, American Home Contractors (AHC), Sunrun, Inc. (Sunrun) and the Solar Energy Industries Association (SEIA) (collectively, the Joint Solar Parties or the JSPs or the Petitioners). Petition at 1.

Commission in its *December 2020 Order*,² and Request for Expedited Proceeding, filed on January 18, 2024. On January 29, 2024, PPL Electric filed an Answer to the Petition (Answer) and, on February 16, 2024, the JSPs filed a Reply to PPL Electric's Answer (JSPs Reply to Answer). Further, on January 31, 2024, the Office of Consumer Advocate (OCA) filed a Notice of Intervention and Public Statement (OCA Public Statement).

In addition, on March 7, 2024, PPL Electric filed a Motion to Strike the JSPs' Reply to Answer (PPL Motion), and, on March 27, 2024, the Petitioners filed an Answer to PPL's Motion (JSPs Answer to Motion). Additional correspondence was filed by the JSPs on March 7, 2024 (JSPs March 7 Letter), and PPL Electric on March 8, 2024 (PPL March 8 Letter). Subsequently, on March 13, 2024, the JSPs filed additional correspondence in response to the PPL March 8 Letter (JSPs March 13 Letter).

Further, the JSPs filed a letter on April 12, 2024, requesting expedited treatment of their initial Petition alleging ongoing harm and further consideration of an opt out of the current DER Pilot. On April 22, 2024, PPL Electric filed a letter (April 22 Letter) requesting that the Commission deny the JSPs' Petition and indicating that, concurrently, PPL Electric filed its Annual Report for Program Year 2 of the DER Pilot. Also, in its April 22 Letter, PPL Electric states that, under Paragraph 62 of the Settlement, PPL Electric must file a Petition by May 20, 2024, to continue or expand

² The Commission's *December 2020 Order* at this docket approved a unanimous Settlement granting PPL Electric Utilities Corporation's (PPL Electric or the Company) DER Management Resources Petition as modified by the terms and conditions of the Settlement, granting necessary waivers of certain Commission regulations to implement the DER Pilot according to the terms and conditions of the Settlement, and directing PPL Electric to file a tariff supplement to become effective on one day's notice consistent with the *pro forma* tariff supplement attached to Appendix A of the Settlement. *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 (Order entered December 17, 2020) (*December 2020 Order*).

the Pilot Program. Therefore, PPL Electric indicates that, in less than a month, its DER Pilot, and any modifications thereto, can be thoroughly evaluated and litigated before the Commission. Thus, PPL Electric submits that no need exists to initiate a separate, on-the-record proceeding to evaluate the merits of PPL Electric's DER Pilot.

For the reasons stated, *infra*, upon consideration of the Petition and PPL's Answer, as well as the additional pleadings filed by the Parties, finding no persuasive reason for reconsideration, we shall deny reconsideration of our *December 2020 Order* for the purposes of rescission or amendment as requested by the Petitioners in this proceeding.

I. History of Proceeding³

On May 24, 2019, PPL Electric filed a Petition for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its DER Pilot with the Commission. In response, several Parties filed Comments, Answers, and Petitions to Intervene in the matter. The Company's Petition was assigned to the Office of

³ A more complete discussion of the history of this proceeding is included in the Recommended Decision (R.D.) issued on November 17, 2020, which approved the Parties' Settlement. *See*, R.D. at 1-4. The Commission's *December 2020 Order* approved the Joint Petition for Approval of Settlement of All Issues (Settlement) without modification and granted PPL Electric's Petition for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement Its Distributed Energy Resources Management Plan, as modified by the terms and conditions of the Settlement. In addition, the Commission ordered PPL Electric to file a tariff supplement to become effective on one day's notice consistent with the *pro forma* tariff supplement attached as Appendix A to the Joint Petition for Approval of Settlement of All Issues. *See*, *December 2020 Order*.

Administrative Law Judge and hearings were scheduled.⁴ Throughout 2020, PPL Electric apprised the Administrative Law Judges (ALJs) assigned to the case that settlement negotiations were taking place with the Parties in the proceeding. On October 5, 2020, PPL Electric, the OCA, the Natural Resources Defense Council (NRDC), and the Sustainable Energy Fund (SEF) filed the Settlement.⁵

In the Recommended Decision, issued on November 17, 2020, ALJs Emily I. DeVoe and Mary D. Long recommended that the Settlement filed on October 5, 2020, be approved without modification. R.D. at 70. Also, the ALJs recommended that PPL Electric's Petition for Approval of Tariff Modifications and Waivers of Regulations⁶ Necessary to Implement Its DER Pilot, as modified by the terms and conditions of the Settlement, be granted. *Id.* The ALJs also recommended that PPL Electric file a tariff supplement to become effective on one day's notice consistent with the *pro forma* tariff supplement attached as Appendix A to the Joint Petition for Approval of Settlement of All Issues. *Id.*

By Order entered December 17, 2020, *i.e.*, the *December 2020 Order*, the Commission adopted the Recommended Decision of ALJs DeVoe and Long. *December 2020 Order* at 1-2. On December 23, 2020, PPL Electric filed its compliance tariff which was approved by the Commission by Secretarial Letter dated

⁴ On March 17, 2020, the Commission issued a Notice cancelling the evidentiary hearings scheduled for April 8 and 9, 2020. Subsequently, the Parties contacted the presiding officers via email requesting that the hearings be continued to allow the Parties additional time for settlement negotiations. R.D. at 3.

⁵ It was noted in the Recommended Decision that Sunrun was not a party to the Settlement but would not be filing an objection to the Settlement. R.D. at 14-15.

⁶ The ALJs' recommendation included granting PPL Electric's request to waive all or portions of Sections 75.13(c), 75.13(k), 75.22, 75.34, 75.35, 75.37, 75.38, 75.39, and 75.40 of the Commission's regulations, as well as any additional waivers of regulations necessary to implement the DER Pilot as modified by the Settlement.

January 6, 2021,⁷ and subsequently, on January 19, 2021, PPL Electric filed its DER Management Pilot Implementation Plan pursuant to the Joint Petition for Settlement of All Issues approved by the Commission at this docket.⁸ On March 1, 2021, the Company filed a Revised DER Management Pilot Implementation Plan (Revised DER Pilot) stating: (1) how the Company will implement and conduct the DER Pilot, including the goals of the Pilot Program; (2) the use cases the Company plans to test and evaluate; (3) the specific methods and approaches for testing each use case; (4) the methods by which PPL Electric will communicate the DER Pilot's requirements to customers and DER installers; and (5) any additional information PPL Electric believes is necessary to be included in the annual reports submitted to the Commission pursuant to the Settlement. The Revised DER Pilot submitted a three-year program. Revised DER Pilot at 3.

As previously noted, the JSPs filed the instant Petition on January 18, 2024. PPL Electric filed an Answer to the Petition on January 29, 2024, and the OCA filed a Notice of Intervention on January 31, 2024. The JSPs filed a Reply to PPL Electric's Answer on February 16, 2024. PPL Electric filed a Motion to Strike the JSPs' Reply to PPL's Answer on March 7, 2024, and the Petitioners filed an Answer to the Company's Motion to Strike on March 27, 2024. Additional correspondence was filed by the JSPs on March 7, 13, and April 15, 2024, and by PPL Electric on March 8, 2024. A summary of these filings is provided in Section III.B. C. and D., *infra*.

⁷ On January 13, 2021, PPL Electric filed a corrected tariff page deleting certain language to comply with Paragraph 57 of the Settlement that was approved by the Commission in the *December 2020 Order*.

⁸ In compliance with Paragraph 61 of the Settlement, PPL Electric filed a detailed plan at this docket explaining how the Company will implement and conduct the DER Pilot. *December 2020 Order*. Paragraph 61 of the Settlement also permitted comments to be filed requiring PPL Electric to give due consideration to the comments submitted.

II. Legal Standards

With respect to petitions for rehearing, reconsideration, rescission and amendment of Commission orders, the Public Utility Code (Code) establishes a party's right to seek relief within fifteen days following the service of a Commission order pursuant to Subsections 703(f). 66 Pa. Code § 703(f) (relating to rehearing).⁹ Upon the filing of a petition for relief pursuant to Section 703(f) the Commission may affirm, rescind, or modify its original order. 66 Pa. C.S. § 703(f). The Code further provides that the Commission may, at any time, after notice and opportunity to be heard by all affected parties, rescind or amend any order made by the Commission, pursuant to Section 703(g). 66 Pa. C.S. § 703(g) (relating to rescission and amendment of orders). A request for relief pursuant to § 703(f) or § 703(g) must be brought as a petition for relief consistent with Section 5.572 of Commission Regulations. 52 Pa. Code § 5.572 (relating to petitions for relief).

Petitions for relief predicated upon Sections 703(f) and 703(g) of the Code, whether brought under Section 5.572(c) of Commission Regulations as a petition for reconsideration, rehearing, reargument, clarification, supersedeas or others within fifteen days of the service of a Commission order, or under Section 5.572(d) as a petition for rescission or amendment filed at any time following service of a Commission order, are reviewed by the Commission as matters seeking relief falling within the agency's discretion.

⁹ Petitions under this section which do not allege new evidence are typically treated as petitions for reconsideration. Petitions for rehearing pursuant to Section 703(f) of the Code, typically include an allegation of new evidence. 66 Pa. Code § 703(f); *see, West Penn Power Co. v. Pa. PUC*, 659 A.2d 1055 (Cmwlth. 1995).

The Commission's application of the standard for granting a petition for amendment, reconsideration, or rescission is set forth in *Philip Duick, et al v Pennsylvania Gas and Water Company*, 56 Pa. PUC 553 (1982) (*Duick*) as follows:

A petition for reconsideration, under the provisions of 66 Pa. C.S. § 703(g), may properly raise any matters designed to convince the Commission that it should exercise its discretion under this code section to rescind or amend a prior order in whole or in part on the grounds that the decision or ruling of the Commission on a matter or issue was either unwise or in error.

In this regard we agree with the Court in the Pennsylvania Railroad Company case, wherein the Court said,

[b]ut the grounds for reconsideration should be restricted to the new matters and new or changed conditions set up in the joint petition, which had arisen since and were not presented in the several petitions of these appellants ... and dismissed by the Commission ... and not appealed from. Parties, ..., cannot be permitted, by a second motion to review and reconsider, to raise the same questions which were specifically considered and decided against them and not appealed from. ...

Pennsylvania Railroad Co. v. Public Service Commission, 118 Pa. Super. 380 (1935).

What we expect to see raised in such petitions are new and novel arguments, not previously heard, or considerations which appear to have been overlooked or not addressed by the Commission. Absent such matters being presented, we consider it unlikely that a party will succeed in persuading us that our initial decision on a matter or issue was either unwise or in error.

Duick at 559; see also, *AT&T v Pa. PUC*, 568 A.2d 1362 (Pa. Cmwlth. 1990).

The Commission utilizes a two-step analysis in determining whether to exercise its discretion to grant relief under *Duick*. See, e.g., *SBG Management Services, Inc./Colonial Garden Realty Co., L.P. v. Philadelphia Gas Works*, Docket No. C-2012-2304183 (Opinion and Order entered May 19, 2019) (SBG Order)¹⁰ (discussing *Application of La Mexicana Express Service, LLC, to transport persons in paratransit service, between points within Berks County*, Docket No. A-2012-2329717; A-6415209 (Opinion and Order entered September 11, 2014)).

The first step is to determine whether a party has offered any basis to persuade the Commission to exercise its discretion, including but not limited to, new and novel arguments or identified considerations that appear to have been overlooked or not addressed by the Commission in its previous order. This initial step examines whether a party raises the same questions which were specifically considered and decided against them by a prior Order of the Commission. If so, it is unlikely that the Commission will be persuaded to exercise its discretion to grant relief. *Duick* at 559 (citing *Pennsylvania Railroad Co. v. Public Service Commission*, 118 Pa. Super. 380 (1935)). The second step of the *Duick* analysis is to evaluate any matter the Commission has deemed worthy of consideration, to determine whether to grant any relief.

III. Discussion

Initially, we note that any issue that we do not specifically address shall be deemed to have been duly considered and denied without further discussion. The Commission is not required to consider, expressly or at length, each contention or argument raised by the Parties. *Consolidated Rail Corporation v. Pa. PUC*, 625 A.2d 741

¹⁰ *Affirmed, Phila. Gas Works v. Pa. PUC*, 249 A.3d 963 (2021); No. 14 EAP 2020 (April 29, 2021); 2021 WL 1681311; *remand granted, in part* (June 15, 2021); 2021 WL 2697432 (Table).

(Pa. Cmwlth. 1993); *see also, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

A. December 2020 Order

As noted, *supra*, on December 17, 2020, the Commission adopted, as its action, the Recommended Decision of ALJs DeVoe and Long, issued November 17, 2020. Thus, the Commission ordered that the Settlement be approved without modification, and granted PPL Electric's Petition for Approval of Tariff Modifications and Waivers of Regulations¹¹ Necessary to Implement Its DER Management Plan, as modified by the terms and conditions of the Settlement. In addition, the Commission ordered PPL Electric to file a tariff supplement to become effective on one day's notice consistent with the *pro forma* tariff supplement attached as Appendix A to the Settlement. *See, December 2020 Order.*

The ALJs recommended, as in the public interest, that the Commission approve the Settlement establishing the design of PPL Electric's DER Pilot for a period of three years. R.D. at 1. The Settlement outlined the Company's plan for the installation of smart inverters, the initiation of a Pilot Program to test and evaluate the effectiveness of monitoring DERs through the use of management devices connected to inverters and the effectiveness of actively managing DERs. *Id.* Under the terms of the Commission-approved Settlement, PPL Electric filed its DER Pilot on January 19, 2021. Comments¹²

¹¹ Specifically, the Commission granted PPL Electric's requested waivers of all or portions of Sections 75.13(c), 75.13(k), 75.22, 75.34, 75.35, 75.37, 75.38, 75.39, and 75.40 of the Commission's regulations, as well as granted any additional waivers of regulations necessary to implement the DER Pilot as modified by the Settlement.

¹² The NRDC, Sunrun Inc. (Sunrun), the OCA and the SEF filed comments on PPL Electric's DER Pilot.

were submitted at this docket and, on March 1, 2021, PPL Electric filed its Revised DER Pilot. *Id.*

Paragraphs 54-63 of the Settlement are included in the Recommended Decision, which set forth the parameters of the Company's DER Pilot including opportunities for comment by the Parties and reporting to the Commission on the Company's DER Pilot at certain benchmarks during the three-year life of the DER Pilot. In order to address the various issues raised in the JSPs' Petition, we include herein pertinent paragraphs of the Settlement:

A. SMART INVERTERS

48. Effective January 1, 2021, new DERs interconnecting with the Company's distribution system must have smart inverters installed that meet: (1) Underwriters Laboratories ("UL") Standard 1741 Supplement A ("UL 1741 SA"); and (2) the Company's testing for the communications requirements under the 2018 revisions to the Institute of Electrical and Electronics Engineers ("IEEE") Standard 1547, "Standard for Interconnection and Interoperability of Distributed Energy Resources with Associated Electric Power Systems Interfaces" ("IEEE Standard 1547" or "IEEE 1547-2018"). The Company shall undertake its testing processes in an expeditious matter so as not to delay DER interconnections. These requirements shall be known as the "Interim Requirements." The list of smart inverters that meet the Interim Requirements will be publicly available and regularly updated on the Company's website. An initial list will be published on or before December 1, 2020.

49. The Interim Requirements shall be used by PPL Electric until January 1, 2022. At that point, the Company will transition to requiring new DERs to have smart inverters installed that meet IEEE 1547-2018 and have been certified with IEEE 1547.1 / UL 1741 Supplement B ("UL 1741 SB").

50. Notwithstanding Paragraphs 48 and 49, *supra*, if a customer installs a new inverter on an existing DER

installation or upgrades an existing DER installation after January 1, 2021, the customer may install a replacement inverter of similar make and model as the existing inverter; provided, however, that any such inverter must meet the Commission's applicable standards and requirements set forth in its regulations.

51. The Company reserves the right to propose in a future proceeding that its DER Management Plan be required for existing DERs. All of the Joint Petitioners reserve their rights to oppose such a proposal and to raise any arguments in opposition thereto.

52. The smart inverters that are installed consistent with Paragraphs 48 and 49, *supra*, must have one of their communications ports dedicated to use by PPL Electric. In the event that the customer's DER requires two communications ports to operate (such as in a solar plus battery storage set-up), PPL Electric will provide a three-communications port solution at no direct cost to that customer.

* * *

B. PILOT PROGRAM

54. The Company shall be authorized to conduct a pilot program ("pilot" or "pilot program") to test and evaluate: (1) the costs and benefits to distribution system operation and design of monitoring DERs through devices connected to inverters as compared to maintaining distribution system status visibility through other means (e.g., automated meter reading equipment, ADMS systems, modeling); and (2) the costs and benefits to distribution system operation of active management of DERs as compared to the benefits available through the use of inverter autonomous grid support functions. The pilot program will begin on January 1, 2021, and will end three years... The three years after the second control group is established will be referred to as Program Year 1, Program Year 2, and Program Year 3.

55. During the pilot program, the Company shall be authorized to purchase and install DER management devices on all new DER with inverters installed under Paragraphs 48

and 49, up to an annual limit of 3,000 DER management devices. DERs installed above the annual limit shall not be part of the pilot program. All DER management devices shall be owned, operated, and maintained by the Company at no direct cost to interconnecting customers. The annual cap on the number of DER management devices will not be an annual cap on the number of new DERs that can be interconnected with the Company's distribution system.

56. Paragraph 55 notwithstanding, the Company shall not deny or delay the permission to connect and operate a DER due to unavailability of DER management devices. Any DER not equipped with a DER management device for this reason shall not be part of the pilot program.

57. Two control groups for the remote active management pilot program shall be established. The first group shall include any DERs connected during the pilot program to the first 75 circuits for which interconnection applications are received by the Company on or after January 1, 2021.¹³ The second group shall include the first 1,000 new DERs installed in the Company's service territory on or after January 1, 2021....For both control groups, DER inverters will operate under autonomous settings only. While the Company may monitor DER operations in the control group by collecting data through the DER management devices, the Company shall not make operational decisions regarding the distribution system based on that information. For DERs that are not part of the control groups, the Company shall be permitted to actively manage the grid support functions of DER inverters using the DER management devices and the Company's DERMS and may make operational decisions based on DER operational information obtained through the DER management devices.

¹³ To preserve the integrity of the 75 distribution circuit control group, the DER Pilot will not include 12 distribution circuits, due to the presence of remotely managed DERs (*e.g.*, participants in PPL Electric's Keystone Solar Future Project) and/or similar Company-owned facilities (*e.g.*, batteries) on these distribution circuits during the term of the pilot program. Customers located on these 12 distribution circuits may still be a part of the second control group, consisting of the first 1,000 new DERs installed in the Company's service territory on or after January 1, 2021. R.D. at 17.

58. For all new DERs interconnected with the Company's distribution system after January 1, 2021, Volt/VAR shall be used as the default voltage management mode for all inverters, and the Company shall establish default Volt/VAR settings. The Company shall also establish default settings for voltage ride-through and frequency ride-through functions consistent with PJM Interconnection LLC's ("PJM") standards. Alternative voltage management modes and settings may be used to reduce or eliminate distribution system upgrade costs to interconnecting customers with the customer's agreement.

59. For DERs in the remote active management group, the Company may only manage the following grid support functions of the smart inverters: (1) Volt/VAR; (2) Constant Power Factor; (3) Remote On/Off; (4) Voltage Ride-through; (5) Frequency Ride-through; and (6) Volt/Watt. Volt/VAR shall be the default voltage management mode for all actively controlled inverters....PPL Electric will only use the Remote On/Off function on battery storage or solar systems that have not safely isolated or "islanded" from the distribution system: (1) in emergency situations, such as a gas leak or fire in the vicinity of the DER; or (2) during a power outage.

* * *

61. Within 30 days after the Commission enters an Order approving this Settlement, PPL Electric will file a detailed plan at this docket explaining how the Company will implement and conduct the pilot program ("Pilot Implementation Plan"), including the goals of the pilot program, the use cases the Company plans to test and evaluate, the specific methods and approaches for testing each use case, the methods by which PPL Electric will communicate the pilot program's requirements to customers and DER installers, and any additional information PPL Electric believes is necessary to include in the annual reports that will be submitted pursuant to Paragraphs 66 and 67, *infra*. Within 10 days after the Pilot Implementation Plan is filed, a technical collaborative shall be convened to discuss the Pilot Implementation Plan. Within 20 days after the Pilot Implementation Plan is filed, the Joint Petitioners may file written Comments on the Company's Pilot Implementation Plan. PPL Electric agrees to give due consideration to the written Comments but retains the ultimate

discretion to accept or reject the Joint Petitioners' feedback in its Pilot Implementation Plan. If any changes are made to the Pilot Implementation Plan based on the Joint Petitioners' feedback, the revised Pilot Implementation Plan will be filed at this docket within 20 days after the deadline for the Joint Petitioners' Comments.

62. Within 60 days after the end of Program Year 2, PPL Electric will be permitted to file a petition with the Commission to: (a) extend the program and make such other changes to the program as the Company may request; (b) continue installing the DER management devices on new DERs in its service territory; and/or (c) authorize the Company to remotely and actively manage (i) the DERs that were in the control groups described in Paragraph 57, *supra*, (ii) the DERs that have enrolled and will enroll in the program, and (iii) any new DERs that will interconnect with the Company's distribution system after the program concludes. PPL Electric reserves the right to request that the Commission continue the existing remote active management program until litigation over a petition filed pursuant to Paragraph 62 concludes. If no such petition is filed within 60 days after the end of Program Year 2, the remote active management program will end after the Program Year 3. All of the Joint Petitioners reserve their rights to file answers in opposition to any petition filed pursuant to this paragraph and to raise any arguments in opposition thereto.

63. Regardless of whether this remote active management program is continued or not, the Company will be authorized to continue: (a) requiring new DERs to have IEEE 1547-2018 compliant smart inverters per Paragraph 49, *supra*; (b) utilizing the smart inverters' automated grid support functions per Paragraph 58, *supra*; and (c) monitoring the DERs that have the Company's DER management devices installed per Paragraph 55, *supra*, provided that such monitoring shall continue only with written customer consent.

R.D. at 15-19.

B. The JSPs' Petition and Answers

By their Petition, the JSPs are requesting Rescission or Amendment of PPL Electric's DER Pilot and for an expedited proceeding. The Petitioners request that the Commission rescind its *December 2020 Order*, which approved PPL Electric's DER Pilot, including various tariff modifications and waivers of regulations necessary to implement the Company's DER Pilot, as modified by the terms and conditions of the Settlement. In the alternative, the JSPs request that the Commission amend its *December 2020 Order* to require that customers be permitted to opt out of participating in the Company's DER Pilot. Petition at 1. Also, through the Petition, the JSPs urge the Commission to address the matter expeditiously to limit the significant harm that the DER Pilot is now causing to the distributed solar market in PPL Electric's territory. *Id.*

By way of background, the Petitioners indicate the Commission-approved DER Pilot permits PPL Electric to require installation of a PPL-owned DER Management device on the inverter of a customer-owned solar system to monitor and control the inverter. *Id.* The Petitioners submit that there is a limited number of PPL Electric tested and approved inverters and the restricted pool of eligible smart inverters has increased the costs of distributed solar installations, exacerbated equipment sourcing issues for installers, delayed the timing of installation and operation of distributed solar systems, forced customers to reduce the size of solar installations, and severely limited the types and variety of solar systems that can be installed. Petition at 2-3. Further, the JSPs claim that the DER Pilot is causing numerous technical problems including disrupting customers' ability to use and monitor their distributed solar systems and interfering with the production of Solar Renewable Energy Credits (SRECs). Petition at 3. The Petitioners further state that the DER Pilot is not poised to be adjusted until at least March 2025, and does not provide any ability for a customer to opt out. *Id.*

In addition, the JSPs object to the DER Pilot requirement that permits installation of a utility-owned device on the inverter of a customer-owned solar system to monitor or control the customer's inverter. Petition at 4. The JSPs claim that data emerging from the implementation of the DER Pilot show that the Pilot Program is causing harm not only to local solar customers, installers, and manufacturers, but also to the solar industry at large, stemming from the requirement that each distributed solar inverter used in PPL Electric's territory be tested by PPL for compatibility with the Company's DER Management Device. Petition at 13. The Petitioners also submit that it is anti-competitive and anti-innovative for the JSPs to endure equipment sourcing issues, to be limited in deploying certain innovative DER systems¹⁴ and to experience higher prices for distributed solar systems. *Id.*

The JSPs further submit that, in June 2023, Tesla, one of the JSPs, ceased operating in PPL Electric's territory, having found that the DER Pilot's required insertion of the Company's Management Device in the inverters of customers' solar and solar-plus-storage systems prohibited Tesla from being able to ensure those systems adequately performed, and otherwise deterred its sales of its solar and battery products. Petition at 10-11. The Petition also states that another Petitioner, AHC, has limited operations in the Company's territory after June 2023 and Sun Directed has had to deny providing solutions to commercial leads with single phase service, having found that there are no viable options for them due to PPL Electric's restrictions. *Id.* at 11.

In addition, the JSPs claim that PPL Electric's DER Management Device interferes with customers' ability to view data from their solar inverters, preventing customers from monitoring their solar production and other elements of how the system is functioning. Petition at 16. The JSPs argue that this disruption occurs primarily

¹⁴ The Petitioners state that several newer battery energy storage system offerings come with integrated inverters for both storage and solar systems. Petition at 14.

because PPL Electric changes the communication settings on inverters when it connects its DER Management Device, thereby impacting the ability of some solar inverters to connect to a home's Wi-Fi router.¹⁵ *Id.* The Petitioners also claim that PPL Electric's DER Management Device causes communications issues that prevent customers and manufacturers from being alerted to actual problems with solar energy production including preventing manufacturers from remotely viewing error codes which affects remote diagnosis of any issue that may arise with a customer's system. *Id.* at 17. The JSPs additionally claim that PPL Electric's DER Management Device prevent Tesla from pushing firmware updates to customers inverters. *Id.* Further, the Petitioners argue that, in March 2023, PPL Electric informed Tesla that it was restricting multi-inverter solar systems because of the inverter communications problem and the JSPs claim that this change reduced the size of solar systems installed and forced cancellations and delays for certain solar systems provided by Tesla. Petition at 17-18. Finally, the JSPs claim that the disruption of communications caused by PPL Electric's DER Management Device has impeded the ability of customer solar systems to record and report the production data needed to generate SRECs, resulting in financial harm to customers or entities who otherwise own those SRECs. *Id.* at 18-19. Although Tesla and PPL Electric attempted to resolve the above-mentioned issues, the JSPs claim that a solution never materialized and continue to argue that it is PPL Electric's Management Device that interferes with communications and functionality of other combinations of solar system and inverters. *Id.* at 19.

¹⁵ The JSPs claim that, since the start of the DER Pilot, there have been at least 47 multi-inverter Tesla systems in PPL Electric's territory in which system communications have been knocked offline due to the presence of the Company's DER Management Device. Petition at 16. This has caused Tesla to pause all monitoring cases in PPL Electric's territory and it does not send a Field Services Tech out to a site to change the connection back in a way that allows the customer to view the functioning of their own system. *Id.*

The Petitioners further submit that PPL Electric's April 2023 DER Management Report provides little to no evidence that the DER Pilot is providing benefits to the grid or ratepayers contrary to the promises stated by the Company. Petition at 20. Also, the JSPs claim that the April 2023 DER Management Report indicates that the potential benefits of active management are still only speculative and have yielded very little value. *Id.* at 21-22. Additionally, the JSPs argue that the Commission may have failed to consider the potential for burdens on the customer and failed to provide for early curtailment of the DER Pilot. *Id.* at 22. Further, the Petitioners submit that, at the time the DER Pilot and waiver of certain regulations were approved, the agreement among the Parties was to participate in a statewide process when the Commission instituted one and, because this has not been held yet, the result is legal error and contrary to the Commonwealth's Document Law and the AEPS Act. *See* Petition at 23-24.

By way of additional pleadings and correspondence, and as previously noted, on February 16, 2024, the JSPs filed a Reply to PPL Electric's Answer. The Petitioners also filed correspondence on March 7, 2024; March 13, 2024; and April 12, 2024.

In the Petitioners' Reply, the JSPs claim that PPL Electric's Answer contains a New Matter which exceeds the Commission's regulations at 52 Pa. Code § 5.61, thus triggering the Petitioners' right to file a Reply under Section 5.63 of the Commission's regulations. JSPs Reply to Answer at 2. The JSPs' Reply agrees that the *Duick* standard, as stated herein, is the legal basis for the Commission to determine whether to grant review of its Petition. However, the JSPs disagree with PPL Electric's statements regarding the timing of the Petition and believe that the Petition is necessary so that the Commission can terminate the DER Pilot or order immediate modifications. *Id.* at 4-5. In addition, the JSPs claim that PPL Electric has failed to address the Petitioners complaints regarding the additional benefits the DER Pilot could produce if

the JSPs remained, additional costs to source equipment, and inverter and installer concerns. *Id.* at 6-14. Further, the JSPs reiterate its arguments that the Company’s DER Management Device has done more harm than good. *Id.* at 24.

In its additional correspondence, the JSPs reiterate their arguments that the DER Pilot as implemented is “causing egregious technical problems, disrupting their ability to communicate with their customers’ solar systems and to interpret and/or respond to system failure alerts, and interfering with customers’ systems’ production of [SRECs].” JSPs March 7 Letter at 1. The Petitioners also reiterate their request for an expedited proceeding as they contend that the DER Pilot’s limits on the types of inverters constricts the types and variety of solar systems that can be installed resulting in increased costs and delayed solar systems installation. *Id.* at 1-2. Further, in the JSPs March 13 Letter, the JSPs repeat their previous claims and request that the Petition be granted and set the matter for hearing and disposition. JSPs March 13 Letter at 1-3.

In the JSP’s Answer to PPL’s Motion, the Petitioners claim that PPL Electric’s Answer to the Petition sets forth material facts not already in the underlying record of this proceeding constituting “New Matter.” JSPs Answer to Motion at 2-3. The Petitioners argue that the Commission’s regulations at 52 Pa. Code § 5.63 permit the filing of a Reply because PPL Electric raised new matter in its Answer to the Petition by raising purported evidence of Tesla’s alleged history of “efforts to undermine the pilot program” and of Tesla’s and other JSPs’ personnel intentionally vandalizing or tampering with PPL Electric’s DER Management Devices. *Id.* at 3-6, 14-16. The JSPs urge the Commission to refrain from permitting PPL Electric to further thwart the JSPs’ opportunity to present arguments as to why the Petitioners, residents, and businesses need immediate relief from the DER Pilot Program prior to the program’s expiration in April 2025. *Id.* at 7.

Further, the JSPs filed a letter on April 12, 2024, requesting expedited treatment of their initial Petition alleging ongoing harm and further consideration of an opt out of the current Pilot. April 12 Letter at 1-2.

C. PPL Electric's Answer and Motion to Strike

In its Answer, PPL Electric contends that the JSPs' Petition should be denied because it does not meet the Commission's standard for rescission or amendment or, if it is not rejected, the matter should be set for hearing. Answer at 1. PPL Electric dismisses the Petitioners' legal arguments as irrelevant and flawed¹⁶ and, therefore, should be rejected. *Id.* at 8-9. The Company also claims that three of the JSPs were served notice of the DER Pilot in 2019 and were provided an opportunity to participate in the proceeding and oppose PPL Electric's proposal or the Settlement. *Id.* at 44. Although Sunrun intervened in the 2019 proceeding and did not object to the Settlement, PPL Electric contends that it is completely inappropriate for the JSPs to request that the Commission terminate the Pilot Program based on their unsubstantiated and inaccurate allegations. *Id.* Further, the Company argues that the Commission should not rescind or amend the DER Pilot until the JSPs' claims can be vetted through a full on-the-record proceeding. Answer at 50.

PPL Electric also asserts that the DER Pilot has out-performed expectations producing significant benefits and costs savings and improving the safety, reliability, and adequacy of the Company's electric distribution service. Answer at 2. PPL Electric contends that the JSPs erred in focusing on only one year's worth of data that was

¹⁶ PPL Electric contends that the JSPs incorrectly assert that the Commonwealth Documents Law (45 P.S. §§ 1102-1602, 45 Pa. C.S. §§ 501-907) apply to the Commission's *December 2020 Order* and the Alternative Energy Portfolio Standards Act (73 P.S. §§ 1648.1-1648.8) and the Electric Choice Act (66 Pa. C.S. §§ 2801-2815) incorrectly apply here as well. Answer at 47-48.

reported in the 2023 DER Management Report¹⁷ and in failing to recognize the future benefits and cost savings under the pilot program. Answer at 24. The Company currently projects approximately \$6.52 million in capital investment savings over the term of the DER Pilot. *Id.* at 25. Additionally, the Company indicated that new DER interconnections increased from 1,229 in 2019¹⁸ to 4,225 new DERs in 2023, adding up to 44.5 MW of capacity. *Id.* at 26.

In addition, the Company submits that the inverter issues raised in the Petition, including communications and functionality, are limited to Tesla's actions and modifications concerning certain inverters used by Tesla in solar systems installations. Answer at 3-4, 27-30, 35, 41-42. PPL Electric also disagrees that its inverter requirements are allegedly limiting customer choice of inverters, driving up installation costs and constraining system design. *Id.* at 6. Further, the Company disagrees with the JSPs that PPL Electric's inverter requirements have forced installers to limit their operations or leave the service territory entirely as Tesla continued to submit interconnection applications as recently as October 2023.¹⁹ *Id.* at 36. Rather, PPL Electric contends that the Commission-approved DER Pilot nor PPL Electric are to blame for Tesla's decision to end operations in the Company's service territory as Tesla had an opportunity to implement a firmware update or stop inserting Zigbee chips into the Delta

¹⁷ See also, PPL Electric's 2023 DER Management Report, capturing Program Year Zero (January 1, 2021 to March 21, 2022) and Program Year 1 (March 22, 2022 to March 21, 2023) of the DER Pilot at this docket.

¹⁸ PPL Electric submits that, in 2019, before the Pilot Program, PPL Electric saw a total of 1,229 new DER interconnections, totaling 29.2 MW of capacity. Answer at 26.

¹⁹ PPL Electric also questions when other JSPs have decided to end operations in its service territory as Sun Directed submitted an interconnection application on January 8, 2024, and AHC has a limited presence as it submitted one interconnection application on January 10, 2023, and its 5.76 kW system was installed and operational on April 24, 2023, with a PPL Electric DER Management device reinstalled on May 19, 2023. Answer at 37.

and SolarEdge inverters that were causing the communications issues and allegedly increasing costs of installation. *Id.* at 37, 40. Further, PPL Electric states that its approved inverter list includes 237 inverters as of January 24, 2024, from 11 different manufacturers including integrated inverters for solar-plus-storage systems and continues to support technological advances in the design of DER systems. *Id.* at 38, Appendix A.

Also, PPL Electric submits that the Petition for rescission or amendment is late and premature at the same time. Answer at 6, 42-43. Specifically, PPL Electric contends that the Petition is late because the JSPs' allegations have existed since at least July 2023, if not before. *Id.* At the same time, the Company asserts that the Petition is premature because the Settlement creating the DER Pilot contains a process to review the merits of the Pilot Program and evaluate whether the program should continue. This filing is to occur in the next few months or 60 days after the end of Program Year 2,²⁰ at which time Parties, including the JSPs, can petition to intervene and raise their issues with the DER Pilot. *Id.* at 7. In addition, PPL Electric states that its 2024 DER Management Report²¹ will be filed by April 22, 2024, which will present new data demonstrating the current and projected performance and benefits of the DER Pilot. Answer at 7, 43. Further, PPL Electric emphasizes that the JSPs had notice and opportunity to be heard in the initial DER Pilot proceeding and did not oppose the Settlement establishing the Pilot Program. *Id.*

PPL Electric further argues that the JSPs' additional request to make the DER Pilot voluntary should be rejected because the Settlement already limits the scope of

²⁰ See, Paragraph 62 of the Recommended Decision at this docket.

²¹ In Stipulated Findings of Fact No. 35, the Recommended Decision states that PPL Electric will file publicly-available annual reports with the Commission within 30 days following the end of each program year. These annual reports shall include, but will not be limited to, all of the information set forth in Paragraphs 67 and 68 of the Settlement. R.D. at 11. The Company has filed its Annual Report for Program Year 2 of the DER Pilot on April 22, 2024, including data gathered through Program Year 2.

participation under the Pilot Program. Answer at 45. Specifically, PPL Electric cites Paragraph 55 of the Settlement which limits the DER Pilot to 3,000 DER Management devices installed per year.²² Once PPL Electric reaches the 3,000 DER Management devices installed, DERs installed beyond that point are interconnected but not included in the DER Pilot. *Id.*; R.D. at 16. PPL Electric notes that, in 2023, the Company hit the annual cap of 3,000 DER Management devices on September 18, 2023, and projects to reach the same cap for 2024 by July. Answer at 45. PPL Electric further asserts that voluntary participation in the DER Pilot will undermine the program's purpose to gather data on the benefits and costs associated with monitoring and managing smart inverters' functionalities across the Company's distribution system. *Id.* Thus, PPL Electric requests that the Commission deny the JSPs' Petition in its entirety. *Id.* at 50.

In its Motion to Strike the JSPs' Reply to the Company's Answer, PPL Electric argues that the JSPs' Reply is an improper pleading and not authorized by the Commission's regulations. In fact, PPL Electric contends that the Company was not required to plead any of the facts set forth in its Answer as New Matter because the Commission's regulations only require Parties to plead New Matter when they are raising affirmative defenses. PPL Motion at 12; *See* 52 Pa. Code § 5.62(b). PPL Electric requests that the Commission strike the JSPs' Reply to Answer and disregard the pleading when ruling on the instant Petition. PPL Motion at 15.

In the PPL March 8 Letter, PPL Electric responds to the JSPs' March 7 Letter, in which the JSPs request that the Petition be assigned immediately to an ALJ for hearing. PPL March 8 Letter at 1. PPL Electric contends that the Petition must demonstrate that the strict *Duick* standard for granting the Petition has been met and, if this is the case, a further hearing would be required under Section 703(g) of the Code. *Id.* at 2-3; 66 Pa. C. S. § 703(g). The Company argues that the JSPs are not entitled to a

²² *See also*, Paragraph 55 of the Recommended Decision herein.

hearing merely because they have filed a Petition before the Commission.
PPL March 8 Letter at 4.

Further, on April 22, 2024, PPL Electric filed a letter requesting that the Commission deny the JSPs' Petition and indicating that, concurrently, PPL Electric filed its Annual Report for Program Year 2 of the DER Pilot. Also, in its April 22 Letter, PPL Electric states that, under Paragraph 62 of the Settlement, PPL Electric must file a Petition by May 20, 2024, to continue or expand the Pilot Program. Therefore, PPL Electric indicates that, in less than a month, its DER Pilot, and any modifications thereto, can be thoroughly evaluated and litigated before the Commission. Thus, PPL Electric submits that no need exists to initiate a separate, on-the-record proceeding to evaluate the merits of PPL Electric's DER Pilot. April 22 Letter at 1-2.

D. The OCA Notice of Intervention

In its Notice of Intervention and Public Statement, the OCA expresses concern that, if the Commission would grant the relief sought by the JSPs at this juncture, then it would abruptly end the pilot and thwart the objectives of the program, thus denying the Commission the information it intended to glean from its results. OCA Public Statement at 2. The OCA notes that if PPL Electric does file a Petition in May 2024, as permitted under the Settlement, then the JSPs would be free to seek to intervene and raise any issues or concerns with the current Pilot Program and propose any modifications they deem necessary. *Id.*

E. Disposition

1. Motion to Strike

As stated above, PPL Electric filed a Motion to Strike the JSP's Reply to PPL's Answer. In its Motion, PPL Electric argues that the JSPs' Reply to Answer is not permitted under the Commission's regulations at 52 Pa. Code §§ 5.62 and 5.63, as parties are not required to plead material facts as New Matter in their Answer. PPL Motion at 2. PPL contends that it was under no obligation to plead the facts set forth in its Answer as New Matter. *Id.*

As a matter within our discretion, based strictly upon the unique facts of this case, we shall grant PPL Electric's Motion. We agree with PPL Electric that JSP's Reply to PPL's Answer was not permitted under Commission Regulations, and the circumstances of this case. The examples provided by the Company in its Answer directly respond to the allegations raised by the Petitioners regarding the communications and functionality issues Tesla experienced with the inverters used by PPL Electric. Therefore, in the circumstances, PPL Electric was not bound to plead material facts as a New Matter. Consequently, the JSPs' Reply is stricken as not permitted under our Regulations and will not be considered here.

2. Petition for Recission or Amendment

As previously noted, Petitions for Reconsideration are governed by *Duick*. In applying the discretionary standard for reconsideration under *Duick*, the Commission utilizes a two-step analysis. First, we examine the basis asserted in support of reconsideration, to determine whether the petitioner has offered any persuasive basis for reconsideration. Where a party has offered no new and novel arguments or identified considerations that appear to have been overlooked or not addressed by the Commission

in its previous order, the Commission is unlikely to be persuaded to grant reconsideration. Where a party offers some persuasive basis for reconsideration, the second step is to evaluate that basis, *i.e.*, the new or novel argument, or overlooked consideration, or other basis, in order to determine whether to modify our previous decision.

However, we will not necessarily modify our prior decision just because a party offers a new and novel argument or identifies a consideration that was overlooked or not addressed by the Commission in its previous order. Based upon our evaluation of the record and the Parties' positions in each particular case, we will determine if there is a sufficient basis for us to exercise our discretion to amend or rescind a prior Order, in whole or in part. In exercising our discretion whether to disturb a final Commission Order, we may only do so judiciously and under appropriate circumstances.²³

Upon review, we find that the Petitioners have failed to proffer any matter which persuades us to exercise our discretion to grant relief in the circumstances. We conclude that the Petitioners assert issues that the Commission has previously addressed in our *December 2020 Order*, or other arguments, based upon which we are unpersuaded to reconsider or rescind our prior order.

In the *December 2020 Order* approving the Settlement without modification and finding it in the public interest, we permitted PPL Electric to establish a

²³ See, *City of Pittsburgh v. Pa. Dep't of Transportation*, 416 A.2d 461 (Pa. 1980) (finding that a petition to rescind or modify a final Commission decision may only "be granted judiciously and under appropriate circumstances," because such an action results in the disturbance of final orders); see also, *StoneyBank Development LLC v. The Walnut Hill Util. Co.*, 2022 Pa. PUC LEXIS 317, Docket No. C-2020-3022179, at *21 (Opinion and Order entered October 27, 2022) ("We are cognizant of the importance of the finality of orders issued by this agency and we do not act with haste to grant or deny a petition for rescission or amendment of our previous orders . . . we are careful to exercise that discretion with deliberateness in only those cases meriting such relief."). See also, 66 Pa. C.S. § 703(e).

three-year DER Pilot that was comprehensive and detailed in its terms and was developed after considerable input by the Parties in the 2019 proceeding. In taking this action, the Commission considered and approved the provisions in the Settlement, after reviewing the underlying record and the specific provisions of the Settlement Agreement reached by the parties in the proceeding. All Parties, as well as the Commission, were aware that the required smart inverters must meet the new IEEE and Underwriters Laboratories (“UL”) standards,²⁴ that DER management devices were to be installed on new DERs interconnected with the Company’s distribution system, and PPL Electric was permitted to monitor and manage those new DERs. In addition, the Commission approved the Settlement provisions that the smart inverters installed must have one of their communications ports dedicated for use by PPL Electric and, if a customer’s DER requires two communications ports to operate (such as in a solar plus battery storage set-up), PPL Electric would provide a three-communications port solution at no direct cost to that customer. *See* Para. 52 of the Settlement; R.D. at 52; Revised DER Pilot at 10-11.²⁵ Further, our *December 2020 Order* acknowledged that, on January 1, 2021, the Company’s Renewable Energy Connection web portal would be updated to reflect the list of smart inverters that have been certified to meet the Interim Requirements and, if a customer or installer would like to use an inverter not on the approved inverter list, they must follow PPL Electric’s certification process. *See also* Revised DER Pilot at 8.

In their Petition, the JSPs object to the essential requirements of the DER Pilot. Specifically, the Petitioners object to the requirement that permits installation of a

²⁴ PPL Electric filed a tariff modification to Tariff Rule 12(c) reflecting an extension of the transition to the new IEEE 1547-2018 and UL 1741 Supplement B requirements, which the Commission approved on January 13, 2022. *Petition of PPL Electric Utilities Corporation for Approval of Proforma Tariff Supplement No. 322 to Electric Pa. P.U.C. No. 201, to Modify Tariff Rule 12 - Distributed Energy Resource Interconnection*, Docket No. R-2021-3029322 (Order entered January 13, 2022).

²⁵ *See also*, R.D. at 34-35, where the Commission reviewed the Settlement Provision and record regarding the communications ports required for smart inverters.

utility-owned device on the inverter of a customer-owned solar system to monitor or control the customer's inverter. The Petitioners also submit that there is a limited number of PPL Electric tested and approved inverters impacting the costs of distributed solar installations, exacerbating equipment sourcing issues for installers, delaying the timing of installation and operation of distributed solar systems, forcing customers to reduce the size of solar installations, and severely limiting the types and variety of solar systems that can be installed. Petition at 1-3.

PPL Electric counters these objections by stating that new DER interconnections increased from 1,229 in 2019²⁶ to 4,225 new DERs in 2023, adding up to 44.5 MW of capacity. Answer at 3, 26. PPL Electric also indicates, in its Answer to the Petition, that the DER Pilot has produced or is projected to produce significant benefits and cost savings, including millions of dollars in deferred capital investments, increased hosting capacity for additional DERs, and improvements to the safety, reliability and adequacy of the Company's electric distribution service. Answer at 2.

Regarding the issue of the installation of a utility owned device on the inverter of a customer-owned solar system, we conclude that this concern is not a new or novel argument but, rather, a tenet of the unanimous Settlement that was agreed to by the Parties in the underlying proceeding and subsequently considered by this Commission in its approval of the agreement in the *December 2020 Order*. Thus, we find that the Petition does not assert any persuasive reason for exercising our discretion, under *Duick*. Therefore, we shall deny the Petition.

We also find that the additional concerns expressed by the Petitioners do not provide a sufficient basis to disturb our *December 2020 Order* approving the

²⁶ PPL Electric submits that, in 2019, before the pilot program, the Company saw a total of 1,229 new DER interconnections, totaling 29.2 MW of capacity. Answer at 26.

unanimous Settlement establishing the Company's DER Pilot. The JSPs claim that PPL Electric's DER Management Device interferes with customers' ability to view data from their solar inverters, preventing customers from monitoring their solar production and other elements of how the system is functioning. Petition at 16. The Petitioners also cite various communications problems caused by PPL Electric's DER Management Device, such as customers and manufacturers not alerted to actual problems with solar energy production and to remote diagnosis of any issue that may arise with a customer's system. *Id.* at 17. The JSPs additionally claim that PPL Electric's DER Management Device prevents Tesla from pushing firmware updates to customers inverters. *Id.*

In response, PPL Electric claims that the communications and functionality issues raised in the Petition are limited to Tesla's actions and modifications concerning certain inverters used by Tesla in solar systems installations. Answer at 3-4, 27-30, 35, 41-42. PPL Electric also contends that the Commission-approved DER Pilot nor PPL Electric are to blame for Tesla's decision to end operations in the Company's service territory as Tesla had an opportunity to implement a firmware update or stop inserting Zigbee chips into the Delta and SolarEdge inverters that were causing the communications issues and allegedly increasing the costs of installation. *Id.* at 37, 40.

In our review of the underlying proceeding, the Commission considered that the implementation of the DER Pilot may produce benefits and other results during the three-year life of the program. Specifically, as stated in the Recommended Decision in this proceeding as approved by the Commission, we acknowledged that the purpose of the DER Pilot would be to test and evaluate: (1) the costs and benefits to distribution system operation and design of monitoring DERs through devices connected to inverters as compared to maintaining distribution system status visibility through other means (*e.g.*, automated meter reading equipment, ADMS systems, modeling); and (2) the costs and benefits to distribution system operation of active management of DERs as compared to the benefits available through the use of inverter autonomous grid support functions.

See, R.D. at 40. We further acknowledged that the DER Pilot will enable the Company to gather valuable data and present its findings to the Commission, the Joint Petitioners, and any interested stakeholders.²⁷ *Id.* at 67. Based on the Settlement provisions and the reporting required by the DER Pilot, we believe that the Pilot Program allows the Petitioners' claims to be reported to the Commission for evaluation and/or addressed by the participants²⁸ during the progression of the DER Pilot. Therefore, we find that the Petitioners have not provided a sufficient basis for us to exercise our discretion to rescind our prior Order in this proceeding (*i.e.*, the *December 2020 Order*) which would result in termination of the DER Pilot at the beginning of its third program year.

Further, in accordance with the Settlement provisions and the *December 2020 Order*, the Commission has received the first two DER Management Reports from PPL Electric. These reports have provided information for evaluation by the Commission and the solar providers in PPL Electric's service territory to assess whether the Pilot Program is meeting its goals and the effectiveness of monitoring DERs by use of management devices connected to inverters. In particular, the second report details financial savings and increased capacity hosting benefits resulting from the pilot program, while also noting fewer and shorter duration of voltage violations, benefitting all PPL Electric customers. Therefore, we are not inclined to disturb our *December 2020*

²⁷ The ALJs acknowledged the OCA's support of a pilot program as a reasonable resolution to the issues presented in the proceeding because it will allow the key stakeholders to analyze PPL Electric's approach to estimating the DER Management Device's incremental benefit, review the data produced by the Pilot Program, and determine the extent to which customers benefit from these devices and whether PPL Electric can or should continue installing these devices in the future. *See*, R.D. at 44.

²⁸ PPL Electric contends that even when the Company initially rejects interconnection applications, it actively works with the installers and applicants to correct the issues with the applications and system design so that the interconnection can be approved. Answer at 21. In addition, the Company claims that it actively worked with Tesla on the communications and functionality issues from July 2022 until July 2023. *Id.* at 29.

Order at this time, as the reporting requirements are being met and provide valuable information to the Commission and the DER Pilot participants to review and assess the DER Pilot, including any issues that may be occurring.

We also are not inclined to amend our *December 2020 Order* to provide for a voluntary opt out for the JSPs to no longer participate in the Company's DER Pilot. As stated previously, the JSPs claim that the Commission may have failed to provide for early curtailment of the Pilot Program, or any ability to opt out.²⁹ Petition at 23. PPL Electric argues that the JSPs' additional request to make the DER Pilot voluntary should be rejected because the Settlement already limits the length and scope of participation under the Pilot Program. Answer at 45. On this issue, we agree with PPL Electric as the Commission already considered, when approving the Settlement, that PPL Electric's DER Pilot was being implemented for a fixed length of time in order to determine if it would meet its stated goals and provide key information to the solar installers and the Commission in accordance with our *December 2020 Order*. The length of time that the DER Pilot has been in effect, since March 1, 2021, also affects our decision, regarding the disposition of the Petition before us, as a fully complete pilot with many participants would provide significant and beneficial information regarding the costs, benefits and impacts of the Pilot Program as required by our *December 2020 Order*. Thus, at this juncture, the Commission is not persuaded by the Petitioners' arguments that our *December 2020 Order*, that permitted PPL Electric's DER Pilot, be amended to provide an early curtailment or a voluntary opt out.

²⁹ It appears from the pleadings in this case that some of the Petitioners have already provided this relief by ceasing business operations in PPL Electric's service territory or by making a minimum investment in the DER Pilot. We note that the JSPs have indicated that some of the Joint Petitioners have provided their own remedy here by ceasing installation operations in PPL Electric's service territory. Petition at 10-11, 14.

On review of the above, we find that the JSPs' Petition raises no matter which persuades us to rescind or amend the *December 2020 Order*. Consequently, we shall deny the Petition.

IV. Conclusion

Based on our review of the record in this proceeding, the Parties' positions, and the applicable law, we shall deny the Joint Solar Parties' Petition for Rescission or Amendment of PPL Electric's DER Pilot and Request for Expedited Proceeding, consistent with this Opinion and Order; **THEREFORE,**

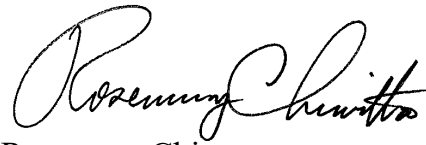
IT IS ORDERED:

1. That the Petition for Rescission or Amendment and Request for Expedited Proceeding, filed by Tesla, Inc., Sun Directed, American Home Contractors, Sunrun, Inc. and the Solar Energy Industries Association, collectively, the Joint Solar Parties on January 18, 2024, relative to the Opinion and Order entered on December 17, 2020, at Docket No. P-2019-3010128, is denied, consistent with this Opinion and Order.

2. That the Motion to Strike the Joint Solar Parties' Reply to PPL Electric's Answer to the Petition, filed by PPL Electric Utilities Corporation on March 7, 2024, at Docket No. P-2019-3010128, is granted, consistent with this Opinion and Order.

3. That this proceeding, at Docket No. P-2019-3010128, be marked closed.

BY THE COMMISSION,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is written in a cursive, flowing style.

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: May 23, 2024

ORDER ENTERED: May 23, 2024