



1775 Industrial Blvd. • Lewisburg, PA 17837
Phone: 570-524-2231 • Fax: 570-524-5887

Pamela Polacek, Chief Legal & Regulatory Officer
Direct Mail: P.O. Box 129; Venetia PA 15367
Direct Phone: 570-724-9469 (o); 717-503-6531 (m)
ppolacek@ctenterprises.org

May 29, 2024

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

VIA E-FILING

RE: Distributed energy Resources Participation in Wholesale Markets; Docket L-2023-3044115

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") are the Comments of Citizens' Electric Company of Lewisburg, PA and Wellsboro Electric Company regarding the Advance Notice of Proposed Rulemaking Order entered on February 22, 2024 in the above-referenced proceeding.

This filing has been served via email on the parties listed on the attached Certificate of Service. If you have any questions regarding this filing, please feel free to contact the undersigned. Thank you.

Very truly yours,

Pamela C. Polacek

By

Pamela C. Polacek

Counsel to Citizens' Electric Company of Lewisburg, PA and
Wellsboro Electric Company

Enclosure

c: Certificate of Service
Christopher F. Van de Verg, Law Bureau
Tiffany L. Tran, Law Bureau
Joseph P. Cardinale, Law Bureau
Karen Thorne, Law Bureau

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Distributed Energy Resources : Docket No.: L-2023-3044115
Participation in Wholesale Markets

**COMMENTS OF CITIZENS' ELECTRIC COMPANY OF LEWISBURG, PA AND
WELLSBORO ELECTRIC COMPANY
TO THE ADVANCE NOTICE OF PROPOSED RULEMAKING ORDER**

Citizens' Electric Company of Lewisburg, PA ("Citizens") and Wellsboro Electric Company ("Wellsboro") (jointly the "C&T Companies") hereby submit these comments in response to the February 22, 2024 Advance Notice of Proposed Rulemaking Order ("ANOPR Order") Re: Distributed Energy Resources Participation in Wholesale Markets, Docket No. L-2023-3044115. A November 9, 2023 Joint Motion of Pennsylvania Public Utility Commission ("PUC" or "Commission") Chairman Stephen M. DeFrank and Vice Chair Kimberly Barrow preceded entry of the instant ANOPR Order.

Citizens' and Wellsboro are members of the Energy Association of Pennsylvania ("EAP") and endorse EAP's Comments submitted regarding the ANOPR Order. The C&T Companies submit these Comments to underscore the need for flexibility, especially for small Electric Distribution Companies ("EDCs"). Federal Energy Regulatory Commission ("FERC") Order No. 2222 ("Order 2222") includes a presumption that smaller EDCs will not be required to comply with the Distributed Energy Resource ("DER") wholesale energy market aggregation initiative. The C&T Companies suggest that this is an important recognition that DER aggregations could have a substantial impact on smaller utilities, especially given the uncertainty regarding the system requirements to accommodate DER operation and market participation. That impact will manifest

itself through the substantial resources required for initial implementation of Order 2222, the ongoing resources required to administer DER aggregations once implemented and the potential technical and reliability impacts that accommodating DER aggregations could have on smaller territories with limited customer load.

The EAP Comments suggest that a small utility could be permitted to opt-into Order 2222 via a Petition filed with the Commission. The C&T Companies support this approach as it enables the small utility to assess whether and how it can accommodate DER aggregation. This assessment can include the potential costs (implementation and ongoing), the internal employee resources that would be needed, and the technical and reliability limitations in its territory. The Commission can then determine whether it is in the public interest to authorize Order 2222 participation based on the model presented by the small utility. Because the small utility is in the best position to assess the conditions in its system, the C&T Companies respectfully submit that the design of any Order 2222 participation model should rest with the small utility.

Respectfully submitted,

Pamela C. Polacek

By _____

Pamela C. Polacek (PA ID. No. 78276)
Chief Legal and Regulatory Officer
C&T Enterprises, Inc.
P.O. Box 129
Venetia, PA 15367
Phone: (570) 724-9496; (717) 503-6531(c)
ppolacek@ctenterprises.org

Counsel to Citizens' Electric Company of
Lewisburg, PA, and Wellsboro Electric
Company

Date: May 29, 2024

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

VIA E-MAIL

Steven C. Gray, Esq.
Sharon Webb, Esq.
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov
swebb@pa.gov

Allison Kaster, Esq.
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor West
Harrisburg, PA 17120
akaster@pa.gov

Patrick Cicero, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place - 5th Floor
Harrisburg, PA 17101-1921
pcicero@paoca.org

Pamela C. Polacek

Pamela C. Polacek (PA ID No. 78276)

Dated this 29th day of May, 2024, in Venetia, Pennsylvania.