

August 2, 2024

Via Electronic Filing

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 its Second Distributed
Energy Resources Management Plan
Docket No. P-2024-3049223
Prehearing Memorandum

Dear Secretary Chiavetta:

Attached for electronic filing, please find the Prehearing Memorandum by American Home Contractors, Inc., Enphase Energy, Inc., the Solar Energy Industries Association, SolarEdge Technologies, Inc., Sun Directed, Sunnova, Inc., Tesla, Inc. and Trinity Solar, LLC (collectively, the “Joint Solar Parties”) in the above-captioned matter.

Copies have been served as shown on the attached Certificate of Service.

Respectfully submitted,



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cc: Service List
Administrative Law Judge John M. Coogan

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties listed below via electronic mail, in accordance with the requirements of 52 Pa. Code § 154 (relating to service by a party):

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Dated this 2nd day of August, 2024

/s/ Bernice I. Corman

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation for :
Approval of its : Docket No. P-2024-3049223
Second Distributed Energy :
Resources Management Plan :

**PREHEARING MEMORANDUM BY
AMERICAN HOME CONTRACTORS, INC., ENPHASE ENERGY, INC.,
THE SOLAR ENERGY INDUSTRIES ASSOCIATION,
SOLAREEDGE TECHNOLOGIES, INC., SUN DIRECTED, SUNNOVA, INC.,
TESLA, INC., and TRINITY SOLAR, LLC
("JOINT SOLAR PARTIES")**

TO ADMINISTRATIVE LAW JUDGE COOGAN:

American Home Contractors, Inc. ("AHC"), Enphase Energy, Inc. ("Enphase"), the Solar Energy Industries Association ("SEIA"), SolarEdge Technologies, Inc. ("SolarEdge"), Sun Directed ("Sun Directed"), Sunnova, Inc. ("Sunnova"), Tesla, Inc. ("Tesla") and Trinity Solar, LLC ("Trinity Solar") (collectively, the "Joint Solar Parties" or "JSPs") hereby file this Prehearing Conference Memorandum in the above-captioned matter in accordance with Your Honor's July 25, 2025 Prehearing Conference Order and 52 Pa. Code § 5.222, and state as follows:

I. Introduction

On May 20, 2024, PPL Electric Utilities Corporation ("PPL" or the "Company") filed a Petition for Approval of its Second Distributed Energy Resources ("DER") Management Plan ("Petition"). Pursuant to said Petition and PPL's testimony and exhibits, PPL proposes that Pennsylvania's Public Utility Commission ("Commission") approve its actively monitoring and managing the smart inverter settings in all customer-owned and third party-owned, inverter-based DER systems in PPL territory.

Petition ¶ 12. PPL’s ability to actively monitor and manage customer- and third party -owned DERs requires that the owners: (1) install only PPL-approved smart inverters that PPL has determined are compliant with evolving IEEE 1547 and UL 1741 standards and compatible with PPL’s DER Management Devices; and (2) permit PPL to install a DER Management Device in their inverters that allows PPL to monitor and actively manage the customer- and third party- owned DERs using PPL’s Distribution Energy Resources Management System (“DERMS”). Direct Testimony of Salim Salet, PPL Electric St. No. 1 (“St. 1”), p. 8, lines 15 – 16; p. 14, lines 13 – 15.

On July 8, 2024, pursuant to 52 Pa. Code §§ 5.71-5.75 and the May 23, 2024 Secretarial Letter, the JSPs filed a Petition to Intervene, Protest and Answer. The JSPs are DER installers, manufacturers, grid services providers, and an association that represents entities such as the JSPs, as well as construction firms, investment firms, and other entities comprising the solar industry.

On July 25, 2024, Administrative Law Judge John M. Coogan issued a Prehearing Conference Order (“Order”) that, among other things: set August 6, 2024 at 10:00 A.M. for a Prehearing Conference; and directed the attendees to be prepared to discuss the procedural matters pertaining to the disposition of the proceeding enumerated in 52 Pa. Code § 5.222(c), and fully prepared for a useful discussion of all problems involved in the proceeding, both procedural and substantive, and fully authorized to make commitments with respect thereto, including by submitting this Prehearing Memorandum.

II. Proposed Schedule and Discovery Rules

- A. The JSPs are willing to participate in discussions with the other Parties to amicably resolve the issues in this proceeding via settlement, subject to Commission approval.
- B. The JSPs agree with PPL that two days of hearing time should suffice, but as described more fully below in Paragraph II.G., the Parties do not agree on a schedule for the hearing dates.

- C. The JSPs do not object to the submission of direct testimony of witnesses in writing and in advance of the hearing or written requests for information which a party contemplates asking another party to present at hearing.
- D. As means of simplifying issues, the JSPs propose anonymizing certain data or testimony, as PPL does with regard to customer-specific data it proffers. Numerous entities have experienced significant harms under PPL's program, but are concerned that if they testify against PPL, that PPL will not readily approve their interconnection requests. Additionally, the JSPs are willing to honor the terms of protective orders required to examine Company data.
- E. The JSPs do not object to electronically exchanging and accepting service of exhibits proposed to be offered in evidence, provided that the Parties agree to produce original files in Microsoft Excel used to create spreadsheets with all formulas and links intact, including all files linked thereto that are necessary for the proper functioning of the file; and that if any links are to a mainframe database or application, that the Parties will provide the version of the output from such database or application that was used to produce the spreadsheets.
- F. The JSPs will obtain admissions as to, or stipulations of, facts not in dispute or the authenticity of documents which might properly shorten the hearing, as appropriate.
- G. The JSPs may call a total number of witnesses that is commensurate to the number already proffered by PPL, and/or that may be identified by the other parties, as appropriate to support the JSPs' positions.
- H. Although the Parties began discussing a proposed plan and schedule of discovery, as of the date and time of submission of this Memorandum, they have not reached agreement. PPL proposed a schedule which is based on its request that the Commission approve its Second

DER Management Plan in the Commission's February 20, 2025 public meeting, to give PPL a month to prepare to launch the Plan immediately upon expiration of its Pilot Program (March 21, 2025). To achieve that goal, PPL proposed a date for initial testimony that would occur roughly three weeks after the Prehearing Conference, or August 27, 2024. PPL's proposal would limit parties who will not even know if they have been admitted into this proceeding until August 6, 2024, to a discovery period of less than three weeks. The JSPs object to PPL's proposed schedule, and believe that PPL should bear the burden of anticipating which way the Commission may rule on its Petition, and preparing itself accordingly. The JSPs proposed a schedule to the Parties that would have the Commission issuing a ruling in its March 13, 2020 public meeting, eight days before the Pilot Program is set to expire. The JSPs also indicated that they would not object to a brief extension of the Pilot Program to allow PPL additional time to prepare to launch following the Commission's action.

III. Presently Identified Issues; Names and Addresses of Witnesses; and Proposed Area of Testimony of Each Witness

Based upon its initial review of PPL's filing, the JSPs have identified the following list of issues and sub-issues upon which they may testify in this proceeding:

- A. In response to PPL's claim that it has seen cost-effective benefits from monitoring and actively managing DERs, the JSPs may offer testimony on costs not accounted for by PPL, which may address:
 - i. Delays and cost increases experienced by the JSPs and their customers, as well as PPL (and therefore ratepayers), in the installation, operation, servicing, and interconnection of DERs in PPL territory; the curtailment of lines of business the JSPs otherwise pursue outside of PPL territory; the constraints on project size and

type imposed by PPL's program; the days or months of losses of communications between the DER and the DER owner; and the losses in revenues from DERs as a result of PPL's program (due to PPL's curtailing DER output, and its interference with customers' ability to collect SREC credits, or to aggregate DERs).

- ii. Increased costs to ratepayers (and increased cyber-insecurity) as a result of PPL's essentially monopolizing the provision of control and monitoring services that have been and could be provided by third party aggregators.
- iii. Costs to manufacturers who have been challenged to have their products tested to meet PPL's bespoke Program requirements, and whose products have been damaged by PPL's Monitoring Devices.
- iv. Dis-benefits to the public interest, including: the impacts on innovation, of constraining equipment use to that allowed by PPL; the impacts on solar generation, of constraining the types of systems able to be installed in PPL territory; the impacts on competition, of constraining the provision of services to only those provided by PPL; the impacts of PPL's control of DERs on the Commonwealth's and this Commission's ability to effectively implement FERC's Order No. 2222^{1, 2} requirement that regional transmission organizations allow aggregations of DERs to participate in PJM wholesale markets so that the DERs may provide all the services they are technically capable of providing; the impacts

¹ *Participation of Distributed Energy Res. Aggregation in Mkts. Operated by Reg'l Transmission Orgs. & Indep. Sys. Operators*, Order No. 2222, 172 FERC P 61,247 (2020), *order on reh'g*, Order No. 2222-A, 174 FERC P 61,197, *order on reh'g*, Order No. 2222-B, 175 FERC P 61,227 (2021).

² See the Commission's February 22, 2024 Advance Notice of Proposed Rulemaking Order, issued in L-2023-3044115.

of PPL’s control of customer DERs on PURPA’s mandate that utilities allow customers to self-generate electricity and to be compensated for it;³ the impacts of PPL’s imposing a bespoke set of interconnection requirements on the Commonwealth’s interest in interconnection rules being consistent within and outside of the Commonwealth;⁴ the impacts on DER owners’ due process rights of approving a program administratively that would result in the owners’ property rights being taken without compensation; and the impacts on the public’s interest in democratizing energy generation, of granting to a utility, for the first time ever, sole control over customer- and third party-owned DER operations. In addition to the foregoing, the JSPs may also offer testimony on how other jurisdictions have resolved questions of utility control or operation of customer- or third-party-owned smart inverters.

B. In response to PPL’s claim that program benefits outweigh costs, representatives of the JSPs may testify:

- i. That approval of the proposed program would be premature, given PPL’s admissions that Pilot implementation has not yet shown that Pilot goals are being met. For example, PPL concedes that PPL’s active management of DER Power Factor setpoints has “not yet” resulted in avoided system investments in voltage

³ Public Utility Regulatory Policies Act of 1978 (“PURPA”) Section 210(m), 16 U.S.C. § 824a-3(a).

⁴ *See* Pennsylvania’s Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1648.1 – 1648.8, § 1648.5 (“Interconnection standards for customer-generator facilities”), stating:

Excess generation from net-metered customer-generators shall receive full retail value for all energy produced on an annual basis. The commission shall develop technical and net metering interconnection rules for customer-generators intending to operate renewable onsite generators in parallel with the electric utility grid, consistent with rules defined in other states within the service region of the regional transmission organization that manages the transmission system in any part of the Commonwealth. The commission shall convene a stakeholder process to develop Statewide technical and net metering rules for customer-generators.

support equipment (Direct Testimony of Cody Davis, PPL Electric Statement No. 3 (“St. No. 3”), p. 49, line 4);

- ii. That approval would be premature of capabilities “in addition to capabilities established by the Pilot Program,” such as the two noted by PPL witnesses Cody Davis and Salim Salet (PPL’s request for approval to directly set reactive power value on inverters, and to manage the maximum real power output value on the inverter) (*see Id.*, pp. 56, lines 13 - 20);
- iii. That approval of the proposed program would be at best premature, to the extent that PPL has failed to show that the same benefits it claims have resulted from its program could not have been achieved through less intrusive and costly means; and
- iv. That whether or not PPL’s Pilot Program has yielded benefits, approval would be at best premature if PPL has not yet shown it can implement its Program without causing the harms discussed in Paragraph A, above.

C. The JSPs reserve the right to raise and address other issues of concern upon further examination of the Company’s filing and to respond to issues raised by other parties during the course of this proceeding, and to offer positions at variance and/or in addition to those stated herein.

D. The JSPs are in the process of selecting one or more witnesses to sponsor testimony in this proceeding. If the JSPs file testimony regarding the aforementioned or other issues, the JSPs will provide notification of the names and addresses of the specific witnesses it will call.

Dated: August 2, 2024

Respectfully submitted,

America Home Contractors, Inc.
Enphase Energy, Inc.
The Solar Energy Industries Association
SolarEdge Technologies, Inc.
Sun Directed
Sunnova, Inc.
Tesla, Inc. and
Trinity Solar, LLC



By their Attorney:

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