

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

Public Meeting held April 24, 2025

Commissioners Present:

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

Petition of FirstEnergy Pennsylvania Electric
Company to Modify Solar Photovoltaic
Requirements Charge Collection

Docket Number:
P-2025-3054284

ORDER

BY THE COMMISSION:

On March 25, 2025, FirstEnergy Pennsylvania Electric Company (FirstEnergy), Utility Code 110400, filed a Petition with the Pennsylvania Public Utility Commission (Commission) requesting to extend its Solar Photovoltaic Requirements Charge (SPVRC) Rider deadline to July 15, 2025, and proposing to modify its Default Service Support (DSS) Rider to collect remaining SPVRC residual over/under-collections. For the reasons expressed in this Order, the Commission will grant the Petition.

FirstEnergy currently collects and credits all costs associated with acquiring Solar Photovoltaic Alternative Energy Credits (SPAECs) through its SPVRC Rider, approved

by the Commission at Docket No. P-2021-3030012 (DSP Order).¹ FirstEnergy states that it moved all costs related to the procurement of solar energy and/or SPAECs to be recovered through its Price to Compare (PTC) Rider. The company proposes to move the residual SPVRC over/under-collection to the DSS Rider and amortize the collection over the 12-month period beginning June 1, 2025, and ending May 31, 2026. As a result, the SPVRC Rider would be set to zero on June 1, 2025. FirstEnergy is seeking the Commission's approval of this Petition on or before April 30, 2025, in advance of its May 1, 2025 DSS Rider rate filing. Petition ¶¶(1), (2), (3), (8).

In conjunction with the DSS Rider request, FirstEnergy is requesting an extension to its SPVRC reconciliation period from March 31, 2025 to May 31, 2025, and to delay the SPVRC submission to the Commission until July 15, 2025. FirstEnergy states that the extension is warranted because it will not know the final revenues and expenses associated with the SPVRC Rider until early July 2025, after the June payments are received. FirstEnergy submits that if it is permitted to delay its SPVRC submission until July 15, 2025, the Commission will not be required to conduct another audit of the SPVRC Rider after this year. Petition Exhibit A, 52 Pa. Code § 53.52(a)(1).

FirstEnergy's Petition includes a *Pro Forma* tariff that would be used to extend the SPVRC reconciliation period to May 31, 2025, extend the SPVRC submission to July 15, 2025, and implement the proposed movement of the residual under/over-collections from the existing SPVRC Rider into the DSS Rider as a new component. This new DSS Rider component would be amortized over a twelve-month period beginning June 1, 2025, and ending May 31, 2026. Petition ¶¶(1), (3).

¹ *Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company for Approval of Their Default Service Programs*, Docket Nos. P-2021-3030012, P-2021-3030013, and P-2021-3030014 (Order entered August 4, 2022).

FirstEnergy serves approximately 2,091,604 customers and the company submits that the proposed tariff changes will have no effect on customer bills and FirstEnergy's revenues. Petition Exhibit A, 52 Pa. Code § 53.52(a)(2), (a)(3), a(5).

FirstEnergy avers that the proposed changes to the SPVRC Rider and the DSS Rider are consistent with the Commission's Order in April 2020 where it approved the Non-Utility Generation Charge (NUG) being set to zero and moving the remaining over/under collections to the DSS Rider.² Petition ¶(4).

FirstEnergy served the Petition on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and all parties in the company's last default service program proceeding at Docket No. P-2021-3030012. No complaints have been filed, and no hearings have been held.

We note that Commission Orders at Docket Numbers P-2009-2093053 (Metropolitan Edison Company) and P-2009-2093054 (Pennsylvania Electric Company), entered November 6, 2009, and P-2010-2157862 (Pennsylvania Power Company), entered November 17, 2010, required FirstEnergy to file SPVRC Rider rates by May 1st of each year and become effective June 1st of each year, unless revised on an interim basis subject to the approval of the Commission. Data Request Response (TUS-1)(a-c).

The Commission agrees that the requested extension to the SPVRC submission deadline will provide a complete actual under/over-collection SPVRC Rider reconciliation statement and that the *Pro Forma* tariff changes that amortize the SPVRC Rider over a twelve-month period in the DSS Rider are an effective way to handle the residual SPVRC related under/over-collections. Upon review of FirstEnergy's Petition,

² *Petition of Pennsylvania Electric Company to Modify Non-Utility Generation Charge Collection and Reconciliation, Docket No. P-2020-3019245* (Order entered April 16, 2020).

we find that the proposed modifications contained therein do not appear to be unlawful, unjust, unreasonable, or contrary to the public interest.

Accordingly, we grant FirstEnergy's Petition to extend its SPVRC submission deadline to July 15, 2025. We also approve the proposed modification to the DSS Rider to include the remaining SPVRC over/under-collections; **THEREFORE,**

IT IS ORDERED:

1. That the FirstEnergy Pennsylvania Electric Company Petition to request an extension of the Solar Photovoltaic Requirements Charge Rider deadline to July 15, 2025, and collect the remaining Solar Photovoltaic Requirements Charge Rider costs from customers through the Default Service Support Rider is hereby approved.

2. That the FirstEnergy Pennsylvania Electric Company *Pro Forma* Tariff changes to Tariff Electric Pa. P.U.C. No. 1 are hereby approved as to form and legality.

3. That FirstEnergy Pennsylvania Electric Company shall file a Default Service Support Rider tariff supplement on May 1, 2025, to be effective June 1, 2025, reflecting the changes approved in this Order.

4. That a copy of this Order be served on FirstEnergy Pennsylvania Electric Company, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and the parties of record in the company's last default service program proceeding at Docket No. P-2021-3030012.

5. That the proceeding at Docket No. P-2025-3054284 be closed.

BY THE COMMISSION,



Matthew L. Homsher

Secretary

(SEAL)

ORDER ADOPTED: April 24, 2025

ORDER ENTERED: April 24, 2025