
Devin Ryan

dryan@postschell.com
717-612-6052 Direct
717-731-1985 Direct Fax
File #: 205510

July 22, 2025

VIA ELECTRONIC FILING

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box
Harrisburg, PA 17105-3265

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

Dear Secretary Homsher:

Attached for filing are PPL Electric Utilities Corporation's Replies to the Joint Solar Parties' Exceptions in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Devin Ryan

DR/dmc
Attachment

cc: The Honorable John M. Coogan (*via email; w/attachments*)
Office of Special of Assistants (*via email; w/attachment*)
Certificate of Service

CERTIFICATE OF SERVICE

(Docket No. P-2024-3049223)

I hereby certify that a true and correct copy of this filing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL

Harrison W. Breitman, Esquire
Christy Appleby, Esquire
Office of Consumer Advocate
Forum Place
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923
E-mail: hbreitman@paoca.org
cappleby@paoca.org

Steven C. Gray, Esquire
Rebecca Lyttle, Esquire
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
E-mail: sgray@pa.gov
relyttle@pa.gov

Bernice I. Corman, Esquire
BICKY CORMAN LAW PLLC
1250 Connecticut Avenue, NW, Suite 700
Washington, DC 20036
E-mail: bcorman@bickycormanlaw.com
*Counsel for American Home Contractors,
Inc., Enphase Energy, Inc., the Solar Energy
Industries Association, SolarEdge
Technologies, Inc., Sun Directed, Tesla,
Inc., and Trinity Solar, LLC*

Judith D. Cassel, Esquire
Micah Bucy, Esquire
Hawke, McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101
E-mail: jdcassel@hmslegal.com
mrbucy@hmslegal.com
Counsel for SEF

Adeolu A. Bakare, Esquire
Rebecca Kimmel, Esquire
McNees Wallace and Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108
E-mail: abakare@mcneeslaw.com
rkimmel@mcneeslaw.com
Counsel for PPLICA

Date: July 22, 2025



Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**REPLIES OF PPL ELECTRIC UTILITIES CORPORATION TO
THE JOINT SOLAR PARTIES' EXCEPTIONS**

Kimberly A. Klock (ID # 89716)
Michael J. Shafer (ID # 205681)
PPL Services Corporation
645 Hamilton Street, Suite 700
Allentown, PA 18101
Phone: 610-774-5696
Fax: 610-774-4102
E-mail: kklock@pplweb.com
mjshafer@pplweb.com

Devin T. Ryan (ID # 316602)
Post & Schell, P.C.
One Oxford Centre
301 Grant Street, Suite 3010
Pittsburgh, PA 15219
Phone: 717-612-6052
E-mail: dryan@postschell.com

David B. MacGregor (ID # 28804)
Megan E. Rulli (ID# 331981)
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
Phone: 717-731-1970
717.612.6018
Fax: 717-731-1985
E-mail: dmacgregor@postschell.com
mrulli@postschell.com

Dated: July 22, 2025

Attorneys for PPL Electric Utilities Corp.

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I. INTRODUCTION

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”), pursuant to 52 Pa. Code § 5.535, hereby respectfully submits these Replies to the Exceptions filed by American Home Contractors, Inc. (“AHC”), Enphase Energy, Inc. (“Enphase”), the Solar Energy Industries Association (“SEIA”), SolarEdge Technologies, Inc. (“SolarEdge”), Sun Directed, Tesla, Inc. (“Tesla”), and Trinity Solar, LLC (“Trinity Solar”) (collectively, “Joint Solar Parties” or “JSPs”) in the above-captioned proceeding concerning PPL Electric’s Petition for Approval of its Second Distributed Energy Resources (“DER”) Management Plan (“Second DER Management Plan” or the “Plan”).

On June 30, 2025, the Commission issued Administrative Law Judge John M. Coogan’s (“ALJ”) Recommended Decision (“RD”), which recommends that the Pennsylvania Public Utility Commission (“Commission”) deny the Petition because of the Company’s purported “failure to meet its burden of proof in this proceeding.” (RD at 1, 42-46.) According to the RD, other parties’ evidence on the scope of the Second DER Management Plan, the impact of the Plan’s requirements, and the Company’s cost-benefit analyses outweighed PPL Electric’s evidence. (*Id.* at 42-46.) Therefore, the RD believes that the Commission should deny the Company’s entire proposal. (*Id.* at 42, 46, 49.)

On July 15, 2025, PPL Electric filed Exceptions to the RD. As explained in the Company’s Exceptions, PPL Electric’s proposal is reasonable and justified, especially given the unprecedented resource adequacy challenges facing the Commonwealth and interest in demand management.¹ Further, the Company thoroughly rebutted the other parties’ evidence regarding the impact of the

¹ The Commission recently showed interest in electric vehicle (“EV”) managed charging to address increases in electric demand. *See Energy Efficiency and Conservation Program*, Docket No. M-2025-3052826, at 40-41 (Order entered June 18, 2025). Notably, EVs are exempt from the proposed Plan (PPL MB at 39), so the proposed Plan could work alongside a managed EV charging measure in Phase V of Act 129 Energy Efficiency and Conservation.

Plan's requirements on solar installers, customers, and inverter manufacturers. Additionally, even though the proposal's fate should not turn solely on cost-benefit analyses due to its safety, resiliency, adequacy, and reliability benefits, PPL Electric presented robust cost-benefit analyses supporting the Plan and refuted criticisms of those analyses. The RD also errs by denying the Plan outright without considering changes to the Company's proposal, such as parties' alternative proposals to impose a DER size requirement for participation or setting a term of years for the Plan. By rejecting the Plan entirely, the RD is unreasonable and contravenes the public interest.

Also on July 15, 2025, the JSPs filed Exceptions to the RD. No other party filed Exceptions to the RD. As a threshold matter, the JSPs' Exceptions do not conform with the Commission's regulations because they are styled as a brief,² are unnumbered,³ and improperly raise new arguments that are unsupported by the record in this proceeding.⁴ That being said, to aid in the Commission's review of the JSPs' Exceptions, PPL Electric has grouped and numbered the arguments made in the JSPs' Exceptions and will respond in kind here.

As explained herein, the JSPs' Exceptions are without merit and should be denied. The JSPs' Exceptions are fatally flawed because they ask the Commission to impose additional requirements should the Company's proposal ultimately be denied, which conflict with or go beyond the terms of the Commission-approved Settlement in the Company's First DER

² Section 5.533(c) of the Commission's regulations provides that "[a] separate brief in support of or in reply to exceptions may not be filed with the Secretary under § 1.4." 52 Pa. Code § 5.533(c).

³ Section 5.533(b) of the Commission's regulations provides that "[e]ach exception must be numbered and identify the finding of fact or conclusion of law to which exception is taken and cite relevant pages of the decision. Supporting reasons for the exceptions shall follow each specific exception." 52 Pa. Code § 5.533(b).

⁴ See, e.g., *Application of Apollo Gas Co.*, 1994 Pa. PUC LEXIS 45, at *8-9 (Order entered Feb. 10, 1994) (denying party's attempt to introduce extra-record evidence in its exceptions); *Arthurs v. Pa. Elec. Co.*, 2019 Pa. PUC LEXIS 197, at *14 (Order entered May 23, 2019) ("This Commission can consider only the evidence in the record before us, and we cannot consider extra record evidence or new arguments presented for the first time in the Exceptions stage of the proceeding.").

Management Plan proceeding.⁵ To the extent that the Commission does consider the JSPs' proposals, for the reasons explained below, these requests are meritless. Accordingly, the Company respectfully requests that the Commission deny the JSPs' Exceptions, grant PPL Electric's Exceptions, and approve the Company's Second DER Management Plan without modification.

II. REPLIES TO EXCEPTIONS

A. REPLIES TO EXCEPTIONS NOS. 1-3: THE JSPS' EXCEPTIONS INAPPROPRIATELY SEEK TO AMEND THE COMMISSION'S ORDER IN THE FIRST DER MANAGEMENT PLAN PROCEEDING AND THE COMMISSION'S ORDER GRANTING THE JOINT PETITION FOR STAY FILED BY PPL ELECTRIC, THE JSPS, AND OTHER PARTIES

1. The JSPs Cannot Use Exceptions in this Proceeding to Seek Clarification of or Amend the Commission's Order in the First DER Management Plan Proceeding

In their Exceptions, the JSPs request that the Commission impose certain restrictions on PPL Electric if the Second DER Management Plan is not approved and the Company's Pilot Program ends. (JSPs' Exceptions at 2-5.) Specifically, the JSPs ask the Commission to "clarify" that if the Company's proposal is denied: (1) "PPL is not authorized to subject inverters to PPL DER Lab testing, nor to condition interconnection on the results of any testing done by it or on its behalf"; (2) "PPL is no longer allowed to restrict installation of certain inverter types to single-inverter installations or maintain any other restrictions that were based on testing PPL performed under the Pilot for compatibility with its DER Management Device"; (3) PPL Electric will cease maintaining and publishing its list of inverters that are approved for interconnection with the Company's distribution system ("Approved Inverter List"); and (4) "for those Customer-Owned

⁵ See *Petition of PPL Elec. Utils. Corp. for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its Distributed Energy Res. Mgmt. Plan*, Docket No. P-2019-3010128, 2020 Pa. PUC LEXIS 663 (Order entered Dec. 17, 2020).

or Third-Party Owned smart inverters who have not consented to continued monitoring, PPL disconnect, or allow disconnection of, its Device from those data ports.” (*Id.* at 3-5.)

The JSPs’ requests are inappropriate and should be denied. Though framed as requests for clarifications to be made in the Commission’s Final Order entered in this proceeding, adopting the JSPs’ proposals would require the Commission to clarify or modify its Order approving the Settlement reached in the Company’s First DER Management Plan proceeding (“Settlement Order”).⁶ Indeed, the Settlement Order is silent on each of these recommendations, and their adoption would require amending the terms of the Commission-approved Settlement reached by the parties in the First DER Management Plan Proceeding.

Relevant here, Paragraph 63 of the Settlement already addresses what PPL Electric is authorized to do when: (1) the Pilot Program ends; and (2) the Company no longer can actively manage DERs, stating:

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.⁷

Thus, none of the JSPs’ proposed conditions on the end of the Pilot Program, apart from PPL Electric’s continued ability to monitor DERs using the DER Management devices with written customer consent, are set forth in that Commission-approved Settlement.

⁶ *Id.*

⁷ *Petition of PPL Elec. Utils. Corp. for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its Distributed Energy Res. Mgmt. Plan*, Docket No. P-2019-3010128, 2020 Pa. PUC LEXIS 663 (Order entered Dec. 17, 2020).

For example, the Commission-approved Settlement does not require PPL Electric to remove its DER Management devices when the Pilot Program ends, nor does the Settlement prohibit the Company from testing inverters, maintaining an Approved Inverter List, or placing appropriate restrictions on inverters interconnecting with its distribution system. Instead, the Settlement requires that new DERs must be compliant with the applicable standards (*i.e.*, IEEE 1547-2018), which the Company’s testing of inverters is designed to ensure.⁸

Critically, the Commission has not annulled or set aside the Settlement Order, so its terms and conditions continue to be binding on PPL Electric and all other parties to that Settlement. The JSPs cannot now, through Exceptions filed in this proceeding, seek to alter the terms of that Commission-approved Settlement. In fact, the Commission previously rejected an attempt by the JSPs to disturb the Settlement Order last year, when the Commission denied the JSPs’ Petition to Rescind or Amend that Order.⁹ Now, the JSPs once again attempt to revise the terms of the Commission-approved Settlement by asking the Commission, in a separate proceeding, to impose additional terms for the Company to follow if the Pilot Program ends. The Commission should reject the JSPs’ “backdoor” attempt to modify the terms of the Settlement, especially since the Commission’s binding Settlement Order already sets forth the terms governing the end of the Pilot Program.

⁸ See, *e.g.*, PPL Electric St. No. 2-R at 6.

⁹ See *Petition of PPL Elec. Utils. Corp. for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its Distributed Energy Res. Mgmt. Plan*, Docket No. P-2019-3010128 (Order entered May 23, 2024). The Commission rejected the JSPs’ request, finding that “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” and “conclude[d] that the [JSPs] 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.” *Id.* at 26, 27. The Commission also correctly noted that “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.” *Id.* at 10.

2. The JSPs Cannot Use their Exceptions to Modify the Commission’s Order Granting the Joint Petition for Extension of the Pilot Program Filed by PPL Electric, the JSPs, and Other Parties to this Proceeding

At various points in their Exceptions, the JSPs request that the Commission prohibit PPL Electric from taking certain actions “as of the date of [the Commission’s] Final Order,” based on the premise that the Pilot Program would cease at that point. (*See* JSPs’ Exceptions at 3-4.) In particular, the JSPs state in their Exceptions:

1. “The JSPs respectfully request that the Commission clarify that as of the date of the Final Order issued in this docket, if said Final Order will end the Pilot, that PPL is not authorized to subject inverters to PPL DER Lab testing, nor to condition interconnection on the results of any testing done by it or on its behalf.” (*Id.* at 3.)
2. “[T]he JSPs respectfully request that the Commission clarify that as of the date of its Final Order, PPL is no longer allowed to restrict installation of certain inverter types to single-inverter installations or maintain any other restrictions that were based on testing PPL performed under the Pilot for compatibility with its DER Management Device, which Device PPL will no longer be installing if its Petition is denied.” (*Id.*)
3. “[T]he JSPs respectfully request that the Commission clarify and confirm that as of the date of the Final Order issued in this Docket, for those Customer-Owned or Third-Party Owned smart inverters who have not consented to continued monitoring, PPL disconnect, or allow disconnection of, its Device from those data ports.” (*Id.* at 4.)

These requests directly conflict with the Commission’s Order granting the Joint Petition for Extension of the Pilot Program in the First DER Management Plan. *See 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, at 1-2, 7-8 (Order entered Sept. 12, 2024) (“*Pilot Program Extension Order*”). In that Joint Petition, which the JSPs themselves jointly filed with PPL Electric, the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA, and the Sustainable Energy Fund (“SEF”), the parties requested that the Commission extend the Pilot Program “until 30 days after the Commission’s Final Order is entered in the Company’s ongoing Second DER

Management Plan proceeding.” See *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, at 1 (Joint Petition filed Aug. 12, 2024). On September 12, 2024, the Commission entered an Opinion and Order granting that request and extending the Pilot Program accordingly. See *Pilot Program Extension Order* at 1-2, 7-8.

Now, however, the JSPs request that the Commission prohibit the Company from continuing to operate its Pilot Program as of the date of its Final Order in this proceeding. Such requests contravene the Commission’s *Pilot Program Extension Order* and the relief granted therein, which the JSPs themselves requested along with the other parties to this proceeding. Thus, the Commission should reject these flawed and unjustified requests.

For these reasons, the Commission should deny the JSPs’ Exceptions Nos. 1-3.

B. REPLIES TO EXCEPTIONS NOS. 1-3: THE COMMISSION SHOULD REJECT THE JSPS’ ARGUMENTS AND REQUESTS FOR RELIEF THAT WERE IMPROPERLY RAISED FOR THE FIRST TIME IN THEIR EXCEPTIONS OR MAIN BRIEF

The Commission should reject the JSPs’ improper attempts to raise new arguments and issues for the first time in their Exceptions or Main Brief. In their Exceptions, the JSPs request that the Commission find that PPL Electric cannot “subject inverters to PPL DER Lab testing, nor to condition interconnection on the results of any testing done by it or on its behalf” or maintain and publish its Approved Inverter List. (JSPs’ Exceptions at 3-4.) In addition, the JSPs renew their request, made for the first time in their Main Brief, that the Commission order PPL Electric to “PPL replace SolarEdge inverters in which it has installed its Device or pay \$2 million into a fund for replacements of inverters with PPL’s Devices installed and thermal damage.” (*Id.* at 5.)

By failing to raise these arguments until their Exceptions or Main Brief, the JSPs have waived these arguments, and the Commission should reject them outright.

It is well-established that parties cannot introduce new arguments for the first time at the exceptions stage.¹⁰ The Commission also has repeatedly rejected attempts to raise new proposals for the first time in the briefing stage, when the parties “made no attempt to develop th[e] issue during the course of th[e] case” and failed to “present testimony in support of such an adjustment.”¹¹

Consistent with this longstanding Commission precedent, the JSPs cannot be permitted to sandbag PPL Electric with new arguments and requests for relief in their Main Brief and Exceptions.¹² While the JSPs opposed the Company’s testing of inverters for compatibility with the DER Management devices in their Main Brief,¹³ they now expand their position and ask the Commission to find that “PPL is not authorized to subject inverters to PPL DER Lab testing, nor to condition interconnection on the results of any testing done by it or on its behalf.” (JSPs’ Exceptions at 3.) This across-the-board request goes beyond the relief requested in their Main

¹⁰ See, e.g., *Application of Apollo Gas Co.*, 1994 Pa. PUC LEXIS 45, at *8-9 (Order entered Feb. 10, 1994) (denying party’s attempt to introduce extra-record evidence in its exceptions); *Arthurs v. Pa. Elec. Co.*, 2019 Pa. PUC LEXIS 197, at *14 (Order entered May 23, 2019) (“This Commission can consider only the evidence in the record before us, and we cannot consider extra record evidence or new arguments presented for the first time in the Exceptions stage of the proceeding.”); *Pa. PUC v. City of Lancaster – Sewer Fund*, 2007 Pa. PUC LEXIS 783, at *44 (Order on Remand entered Jan. 31, 2007) (“[I]ssues not raised by a party in its Main Brief are deemed to have been waived”) (citing *Apollo Gas*).

¹¹ *Pa. PUC v. Pa. Power & Light Co.*, Docket Nos. R-822169, *et al.*, 57 Pa. PUC 559, 596-97 (Order entered Aug. 19, 1983) (citing *Pa. PUC v Philadelphia Electric Co.*, Docket No. R-811626 (Order dated May 21, 1982) (“Merits aside, it is highly inappropriate for a party to propose a completely new adjustment for the first time in its brief.”); see also *Parks v. Pa. Electric Co.*, Docket No. C-2018-3004227, 2024 Pa. PUC LEXIS 365, at *18 (Order entered Dec. 19, 2024) (determining that considering the complainants’ requests for relief raised for the first time in the briefing stage would violate the utility’s due process rights); *Enron Capital & Trade Res. Corp. v. Peoples Natural Gas Co.*, Docket No. R-00973928C0001, 1997 Pa. PUC LEX 178, at *10-11 (Recommended decision issued Nov. 13, 1997) (“Enron can not be permitted to introduce an argument at the briefing stage which it did not introduce in the evidentiary phase of this proceeding . . . Imposing [the new proposal] without the other parties having notice and an opportunity to be heard would violate their due process rights.”), *affirmed*, 1998 Pa. PUC LEXIS 199 (Order entered Aug. 24, 1998).

¹² See notes 10 and 11, *supra*.

¹³ See JSP MB at 60.

Brief, in which the JSPs asked the Commission to “[b]ar PPL from requiring that inverters be tested for compatibility with PPL’s Device” or alternatively to limit testing only to DERs who choose to voluntarily participate in active management. (JSP MB at 60) (emphasis added). It is inappropriate for the JSPs to take the position now, in their Exceptions, that PPL Electric cannot conduct any testing on any inverters that will be interconnected to its distribution system, without any regard to operations or safety. Nor did the JSPs introduce any testimony or evidence specifically in support of their new request to prohibit the Company from maintaining and publishing its Approved Inverter List if the Pilot Program ends. Further, nowhere in their pleadings or testimony did the JSPs ask the Commission to order PPL Electric to replace all the SolarEdge inverters on which it has installed its DER Management devices or pay \$2 million into a fund for replacing such inverters. Tellingly, the JSPs do not cite any part of the evidentiary record in their Exceptions where they made these requests—because no such record evidence exists.

By waiting until their Exceptions or Main Brief to raise these arguments and requests for relief, the JSPs denied PPL Electric the opportunity to engage in discovery, present testimony, and cross-examine witnesses about these issues. Accordingly, if the Commission were to consider or grant these arguments and requests for relief now, PPL Electric’s due process rights would be violated.¹⁴ Therefore, because consideration of these new requests would violate PPL Electric’s due process rights, the JSPs’ requests must be denied.

¹⁴ See *Hess v. Pa. PUC*, 107 A.3d 246, 266 (Pa. Cmwlth. 2014) (citing *Davidson Unemployment Compensation Case*, 189 Pa. Super. 543, 151 A.2d 870 (Pa. Super. 1959); *Shenandoah Suburban Bus Lines, Inc.*, 46 A.2d 26 (Pa. Super. 1946)) (stating that “[a]mong the requirements of due process are notice and an opportunity to be heard on the issues, to be apprised of the evidence submitted, to cross-examine witnesses, to inspect documents, and to offer evidence in explanation or rebuttal.”); *Mid-Atlantic Power Supply Ass’n v. PECO Energy Co.*, Docket Nos. P-00981615, *et al.*, 1999 Pa. PUC LEXIS 30, at *54-55 (Order entered May 19, 1999) (concluding that a party entitled to due process must be given “adequate notice” and a “[m]eaningful opportunity to be heard,” which includes “reasonable examination and cross-examination”).

Based on the foregoing, the Commission should deny the JSPs' Exceptions Nos. 1-3.

C. REPLY TO EXCEPTION NO. 1: THE COMMISSION SHOULD REJECT THE JSPS' PROPOSALS REGARDING THE COMPANY'S DER MANAGEMENT DEVICES AND CONTINUED MONITORING OF DERS

In their Exceptions, the JSPs claim that Commission clarification is needed to “confirm that as of the date of the Final Order issued in this Docket, for those Customer-Owned or Third-Party Owned smart inverters who have not consented to continued monitoring, PPL disconnect, or allow disconnection of, its Device from those data ports.” (JSPs' Exceptions at 4) (emphasis added.) As support for this argument, the JSPs claim that the DER Management device may interfere with installer's attempts to service DER systems and that the “PPLs [sic] access to data ports threatens to complicate potential use of the data ports by DER aggregators in the future.” (*Id.* at 5.)

The Commissions should reject the JSPs' request for clarification. This request is based on the JSPs' flawed allegations that PPL Electric's DER Management devices have interrupted interfered with inverter communications, when, in actuality, only 0.51% of customers enrolled in the Pilot Program ever experienced a communication interruption (i.e., 46 out of 9,038 customers as of December 2, 2024). (*See* PPL Exceptions at 22-24.) Also, no credible evidence supports the JSPs' claims that PPL Electric's DER Management devices have blocked or limited market entry for third-party aggregation or blocked or impeded competition from third-party grid service providers. (*See id.* at 21-22.) Additionally, PPL Electric presented un rebutted evidence that removing its DER Management devices would force the Company to immediately incur approximately \$887,000 in expenses. (PPL MB at 59.) Such an expense is unreasonable and unnecessary for the Company to incur.

Moreover, the Settlement set forth the steps for what would happen if the Pilot Program ended and was silent about the removal of installed DER Management devices from the inverters'

data ports.¹⁵ As explained in Section II.A.1, *supra*, the Commission’s Settlement Order has not been set aside or overturned and remains binding on PPL Electric and the other parties to First DER Management Plan proceeding. Given the Settlement Order’s silence on this point, the decision on whether to disconnect or allow the disconnection of DER Management devices from the inverters’ data ports is a matter that should be left to PPL Electric’s managerial discretion.¹⁶

In addition, the JSPs’ request for the Commission to order the Company to remove all devices from the data ports “as of the day of the” issuance of a Final Order in the instant proceeding directly conflicts with the *Pilot Program Extension Order*. As explained previously, the Pilot Program remains in effect until 30 days after the Commission’s entry of a Final Order in this proceeding. *See Pilot Program Extension Order* at 1-2, 7-8. Also, the JSPs’ request is wholly impractical. Nothing in the record establishes that the Company could disconnect all its DER Management devices (at over 9,000 customer locations as of December 2, 2024)¹⁷ from the inverters’ data ports on the same day that the Commission issues its Final Order in this proceeding. Further, the Company will need time to communicate with customers to see if they want to provide written consent for the Company to continue monitoring their DERs in accordance with Paragraph 63 of the Settlement. It makes no sense for the Company to disconnect those devices, only to reconnect them after the customers provide customer consent. Thus, the JSPs’ request contravenes

¹⁵ *See Petition of PPL Elec. Utils. Corp. for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its Distributed Energy Res. Mgmt. Plan*, Docket No. P-2019-3010128, at 15-21 (Recommended Decision issued Nov. 17, 2020), *adopted without modification*, Docket No. P-2019-3010128 (Order entered Dec. 17, 2020).

¹⁶ It is well-established that “[t]he Commission is not empowered to act as a super board of directors for the public utility companies of this state,” and that utilities have the “right of self-management.” *Metropolitan Edison Co. v. Pa. PUC*, 437 A.2d 76 (Pa. Cmwlth. 1981) (“Absent a showing of abuse or discretion or arbitrary action by the public utility, the Commission lacks authority to interfere with the general management decisions of the public utility. The management decisions required to achieve reasonable rates and service are generally left to the public utility.”) (internal citations omitted).

¹⁷ PPL Electric St. No. 2-R at 12.

common sense and the Settlement's intent, which was to allow monitoring to continue provided the Company obtains written customer consent.

For these reasons, the JSPs' Exception No. 1 should be denied.

D. REPLY TO EXCEPTION NO. 2: THE COMMISSION SHOULD REJECT THE JSPS' RECOMMENDATIONS REGARDING INVERTER TESTING AND APPROVAL

Next, the JSPs request that the Commission "clarify," if the Pilot Program is discontinued and the Second DER Management Plan is not approved, that: (1) "PPL is not authorized to subject inverters to PPL DER Lab testing, nor to condition interconnection on the results of any testing done by it or on its behalf"; (2) "PPL is no longer allowed to restrict installation of certain inverter types to single-inverter installations or maintain any other restrictions that were based on testing PPL performed under the Pilot for compatibility with its DER Management Device"; and (3) that the Company should discontinue its Approved Inverter List. (JSPs' Exceptions at 3-5.)

As explained above, the JSPs' requests that the Commission order PPL Electric to discontinue its Approved Inverter List and to prohibit inverter testing altogether were raised for the first time in Exceptions. Therefore, these requests have been waived and should be disregarded by the Commission. Further, as explained in Section II.A.1, above, the Settlement is silent on the Company's ability to test inverters, and the JSPs' attempts to amend the Settlement Order through their Exceptions should be rejected.

Notwithstanding, the Public Utility Code requires PPL Electric to "furnish and maintain adequate, efficient, safe, and reasonable service and facilities . . ." 66 Pa. C.S. Section 1501. The Company has an affirmative duty to ensure that customers interconnecting with the Company's distribution facilities are using inverters that comply with the applicable standards and are safe to interconnect, regardless of whether the Company is actively monitoring DERs. Prohibiting the Company from testing inverters and placing reasonable limitations on installations based on that

testing would hamper the Company's ability to provide safe and reasonable service to its customers. Indeed, under Paragraphs 58 and 63 of the Commission-approved Settlement, PPL Electric can continue to set default Volt/VAR curves and establish default settings for voltage ride-through and frequency ride-through functions consistent with PJM Interconnection LLC's ("PJM") standards even after the Pilot Program ends and regardless of whether the Company's "remote active management program is continued or not."¹⁸ The Company's testing of inverters, among other things, ensure that the inverters have the capabilities required for PPL Electric to set those default settings. (PPL Electric St. No. 2 at 12-13, 15; PPL Electric Exhibit AD-7.) Therefore, the Company's testing of inverters cannot and should not end entirely if the Pilot Program ends and the Second DER Management Plan is rejected.¹⁹

Based on the foregoing, the JSPs' Exception No. 2 should be denied.

E. REPLY TO EXCEPTION NO. 3: THE COMMISSION SHOULD REJECT THE JSPS' UNTIMELY AND UNJUSTIFIED REQUEST FOR AFFIRMATIVE RELIEF

In their Exceptions, the JSPs renew their request for the Commission order PPL Electric to "replace SolarEdge inverters in which it has installed its Device, or pay \$2 million into a fund for replacements of inverters with PPL's Devices installed and thermal damage." (JSPs' Exceptions at 2, 5.) This new request for relief should be rejected because it was improperly raised for the first time at the briefing stage,²⁰ amounts to a request for damages that the Commission lacks

¹⁸ See *Petition of PPL Elec. Utils. Corp. for Approval of Tariff Modifications and Waivers of Regulations Necessary to Implement its Distributed Energy Res. Mgmt. Plan*, Docket No. P-2019-3010128, at 17, 19 (Recommended Decision issued Nov. 17, 2020) *adopted without modification*, Docket No. P-2019-3010128 (Order entered Dec. 17, 2020).

¹⁹ That being said, if the Pilot Program ceases and the Second DER Management Plan is not approved, the Company anticipates that it would no longer test inverters for compatibility with the DER Management device, given that such device would not be installed moving forward.

²⁰ See Section II.A.2, *supra*.

authority to award, and goes beyond the scope of relief that can be granted in this voluntary Petition proceeding.

1. The JSPs’ Requested Relief Amounts to a Request for Damages, which, under Well-Established Case Law, the Commission Lacks the Authority to Award

By requesting that the Commission direct PPL Electric to “pay \$2 million into a fund for replacement of inverters,” the JSPs’ requested relief also amounts to an improper request for damages. (JSPs’ Exceptions at 5.) It is well-established that the Commission does not have the authority to order a public utility to pay damages.²¹ For that reason, the Commission routinely dismiss requests for damages from Formal Complaints as “impertinent matter.”²² Here, the Commission should adhere to that long line of precedent and reject the JSPs’ unprecedented request for PPL Electric to pay \$2 million in damages toward the replacement of SolarEdge inverters.

2. The JSPs’ Requested Relief Cannot and Should Not Be Granted in this Voluntary Petition Proceeding, Where the Sole Determination Is Whether PPL Electric’s Petition Should Be Approved with or Without Modification

The JSPs’ requested relief also cannot and should not be granted in this voluntary petition proceeding, where the burden of proof lies with the proponent of the rule or order (*i.e.*, PPL Electric) for approval of its Second DER Management Plan. *See* 66 Pa. C.S. § 332(a), 52 Pa. Code § 5.41. The sole determination in this proceeding is whether PPL Electric’s Petition should be approved with or without modification.²³

²¹ *See, e.g., DeFrancesco v. W. Pa. Water Co.*, 453 A.2d 595, 596-97 (Pa. 1982); *Elkin v. Bell of Pa.*, 420 A.2d 371, 375 (Pa. 1980); *Feingold v. Bell of Pa.*, 383 A.2d 791, 794-95 (Pa. 1977).

²² *See, e.g., Culbertson v. Pa. Elec. Co.*, Docket No. C-2010-2204947, 2011 Pa. PUC LEXIS 781 (Initial Decision issued Feb. 4, 2011), *made final without further action* (Order entered Apr. 8, 2011); *Jones v. Phila. Gas Works*, Docket No. C-2011-2272358, 2012 Pa. PUC LEXIS 409 (Initial Decision entered Feb. 15, 2012), *made final without further action* (Apr. 11, 2012); *Horton v. Phila. Gas Works*, Docket No. C-2010-2181056, 2012 Pa. PUC LEXIS 1332 (Initial Decision issued Jan. 11, 2012), *made final without further action* (Order entered Mar. 1, 2012).

²³ As set forth in PPL Electric’s Main Brief, Reply Brief, and Exceptions, the Company met that burden of proof. (*See* PPL MB at 12-53; PPL RB at 4-20, 36-52; PPL Exceptions at 6-36.)

The JSPs' requested relief, however, goes far beyond the scope of this proceeding by requesting affirmative relief from the Commission, including the replacement of or reimbursement for all customer SolarEdge inverters on which a DER Management device has been installed. (*See* JSP MB at 60.) Aside from the clear errors with the JSPs' requested relief being raised for the first time at the briefing stage and constituting an improper request for damages, such a request for affirmative relief is more appropriately sought in a formal complaint proceeding pursuant to Section 701 of the Public Utility Code. In those proceedings, complainants "seeking affirmative relief from the PUC must prove by a preponderance of the evidence that the named utility was responsible or accountable for the problem described in the complaint and that the offense was a violation of the Code, a PUC regulation or Order, or a violation of a PUC-approved tariff."²⁴ It is unreasonable for the JSPs to request affirmative relief in this voluntary petition proceeding in which they do not bear the burden of proving the validity of their claims. To the extent that the JSPs wanted affirmative relief, aside from monetary damages that the Commission cannot award, they should have filed a formal complaint that could have been consolidated with PPL Electric's Petition. They did not do so and, therefore, cannot be granted affirmative relief in this proceeding.

For these reasons, the JSPs' Exception No. 3 should be denied.

²⁴ *Povacz v. Pa. PUC*, 280 A.3d 975, 999 (Pa. 2022) (citing 66 Pa.C.S. §§ 332(a), 701); *Samuel J. Lansberry, Inc. v. Pa. PUC*, 578 A.2d 600 (Pa. Cmwlth. 1990), *alloc. denied*, 602 A.2d 863 (Pa. 1992)).

III. CONCLUSION

WHEREFORE, for all the foregoing reasons, as well as those more fully explained in the Company's Main Brief, Reply Brief, and Exceptions, the Company respectfully requests that the Pennsylvania Public Utility Commission deny the Exceptions filed by the JSPs and approve the Company's Second DER Management Plan without modification.

Respectfully submitted,



Kimberly A. Klock (ID # 89716)
Michael J. Shafer (ID # 205681)
PPL Services Corporation
645 Hamilton Street, Suite 700
Allentown, PA 18101
Phone: 610-774-5696
610-774-2599
Fax: 610-774-4102
E-mail: kklock@pplweb.com
mjshafer@pplweb.com

Devin T. Ryan (ID # 316602)
Post & Schell, P.C.
One Oxford Centre
301 Grant Street, Suite 3010
Pittsburgh, PA 15219
Phone: 717-612-6052
E-mail: dryan@postschell.com

David B. MacGregor (ID # 28804)
Megan E. Rulli (ID# 331981)
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
Phone: 717-731-1970
717-612-6018
Fax: 717-731-1985
E-mail: dmacgregor@postschell.com
mrulli@postschell.com

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Attorneys for PPL Electric Utilities Corp.