



June 9, 2026

VIA E-File

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

**Re: Distributed Energy Resources Participation in Wholesale Markets, Chapter 57
Docket No. L-2023-3044115**

Comments of CAUSE-PA

Dear Secretary Homsher:

Pursuant to the Notice of Proposed Rulemaking in the above noted matter, which was published in the Pennsylvania Bulletin on April 11, 2026, please find the attached *Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)* for consideration in this proceeding.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Elizabeth R. Marx".

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Distributed Energy Resources Participation in
Wholesale Markets, Chapter 57

: Docket No. L-2023-3044115

**COMMENTS OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND
ENERGY EFFICIENCY IN PENNSYLVANIA**

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I. INTRODUCTION

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)¹, through counsel at the Pennsylvania Utility Law Project, files the following Comments in response to the December 18, 2025 Notice of Proposed Rulemaking of the Pennsylvania Public Utility Commission (Commission or PUC), which was published in the April 11, 2026, Pennsylvania Bulletin, inviting public comment in response to the Commission's proposed rules for the aggregation of Distributed Energy Resources (DERs).

If properly regulated, DERs have the potential to improve grid reliability and lower costs for ratepayers. CAUSE-PA supports some aspects of the Commission's proposed rules; however, several critical issues remain unresolved. Without strong consumer protections and robust regulatory oversight, DER aggregators (DERAs) could exacerbate the energy affordability crisis in Pennsylvania and harm vulnerable ratepayers. The Commission must go further to ensure that DERA programs are equitable, transparent, and deployed in a manner that will ensure promised affordability and reliability benefits materialize.

Several foundational principles guide CAUSE-PA's comments on this matter. First, as CAUSE-PA noted in comments to the Commission's Advanced Notice of Proposed Rulemaking on this matter in February 2024, DERA programs must not increase costs on non-participants. The Commission must also ensure that participation in DERA programs is fully informed, voluntary, and will never lead to involuntary service termination. At the same time, DERA programs must be integrated with utility infrastructure and default service planning. While DERA programs are in

¹ CAUSE-PA is an unincorporated association of low-income Pennsylvanians from all corners of the state that advocates on behalf of its members to families of limited economic means across the state are able to connect and maintain safe and affordable water, electric, heating and telecommunication services to their home. CAUSE-PA filed brief comments in response to the Commission's Advanced Notice of Proposed Rulemaking (ANOPR), which preceded the Commission's subsequent release of this NOPR.

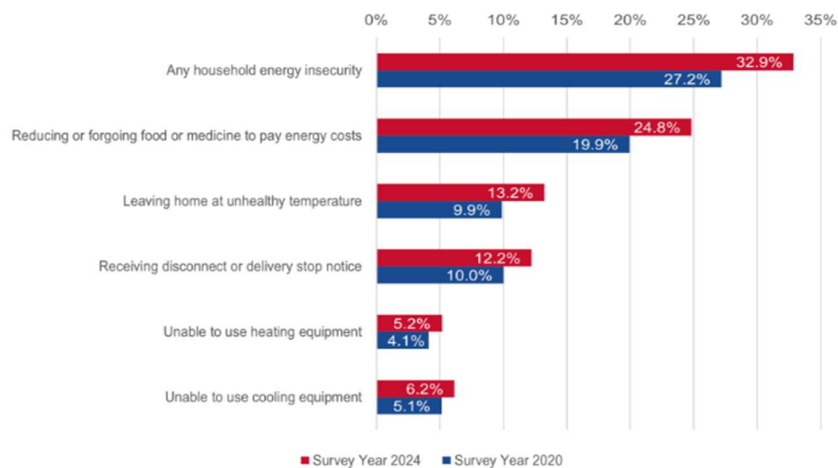
their infancy and will take time to ramp up, EDCs should account for potential projected growth of DERA programs in planning future infrastructure investments and in procuring default service.

For these reasons, and as discussed in detail below, CAUSE-PA recommends that the Commission amend its proposed rules to impose strong consumer protections, promote integrated planning, and ensure a regulatory framework is in place to promote responsible and sustainable growth of DERA programs in the Commonwealth.

II. BACKGROUND

The Commission’s proposed DER rules come at a precarious time for ratepayers. The National Consumer Law Center’s recent analysis of the United States Energy Information Agency’s 2024 Residential Energy Consumption Survey shows an alarming increase in energy insecurity since 2020.

Reported U.S. Energy Insecurity - 2024 and 2020 Residential Energy Consumption Survey Results



Pennsylvania is experiencing these same trends. Energy insecurity impacts roughly 1 in 4 Pennsylvania households.² According to the latest United States Census Bureau Household Pulse Survey, around 24.4 percent of Pennsylvania households could not afford their home energy bills in 2024, compared to 23 percent nationwide.³ And costs are only going up. Over the past year, electric generation prices have skyrocketed across the Commonwealth, driving up residential rates as much as 40 percent in some service areas. Hundreds of thousands of Pennsylvania families pay more than 10 percent of their household income on home energy costs, with many facing energy burdens of 30 percent or higher.⁴ In 2025, nearly 390,000 Pennsylvania households faced involuntary termination of electric or gas service—a 10 percent increase from 2024.⁵

CAUSE-PA knows the Commission is well-attuned to the energy affordability crisis. But it is nevertheless critical to keep these acute affordability challenges at the forefront in this rulemaking, as rising costs are most likely to be ratepayers' prime motivation for participating in DERA programs. Because financially stressed households may be more likely to enroll in programs promising bill savings, weak DERA rules could disproportionately expose vulnerable households to hidden charges, misleading compensation claims, or service risks. The Commission must keep consumers front of mind when issuing its final rules in this proceeding.

² U.S. Census Bureau, Household Pulse Survey: Pennsylvania, Unable to Pay Energy Bill (Aug. 20 – Sept. 16, 2024), available at: https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL&s_state=00042. (last visited Apr. 30, 2026).

³ U.S. Census Bureau, Household Pulse Survey: Pennsylvania, Unable to Pay Energy Bill (Aug. 20 – Sept. 16, 2024), https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL&s_state=00042. (last visited Apr. 30, 2026.)

⁴ Fisher, Sheehan & Colton, The Home Energy Affordability Gap: Pennsylvania (2023), http://www.homeenergyaffordabilitygap.com/downloads/2022_Released_Apr23/ZIP_Archives/2022_Pennsylvania.zip.

⁵ Pa. PUC, Terminations and Reconnections: Year-to-Date December 2024 vs. Year-to-Date December 2025 (2026), <https://www.puc.pa.gov/media/3786/terminations-reconnectionsyt-d-dec2024vs25.pdf>.

Over time, DERA programs may enhance grid reliability and exert a downward pressure on retail electricity rates.⁶ Such developments have the potential to benefit all ratepayers, regardless of income. Technological advancements and policy reforms may also make DERs more affordable—enabling low-income households to participate in and directly benefit from DERA programs.⁷ Those benefits are plausible, but not automatic; whether they materialize – and for whom – depends on the compensation, planning, and consumer protection rules the Commission adopts.

DERA programs present serious regulatory challenges and promised benefits are unlikely to materialize without an intentional regulatory framework that prioritizes consumers and ensures proactive planning. Overcompensation of DERA program participants could increase household utility bills for low-income Pennsylvanians.⁸ Inadequate EDC planning may further strain utility bills and result in unreliable service. Wrongly classified aggregation service fees may lead to involuntary utility service terminations. Weak consumer protections may facilitate exploitation of DERA program participants.⁹ And permitting EDCs to operate their own DERA programs may create untenable conflicts of interest.

⁶ Energy + Environmental Econ., The Value of, and Compensation for, Distributed Energy Resources in Illinois 1, 53 (2025), <https://www.ethree.com/wp-content/uploads/2025/01/ICC-VDER-Report-FINAL-2025-1-17.pdf>; https://eta-publications.lbl.gov/sites/default/files/2025-02/der_integration_framework_final_20250117.pdf.

⁷ Nat’l Governors Ass’n, State Approaches to Equitable Distributed Energy Resource Deployment 4 (2023), https://www.nga.org/wp-content/uploads/2023/03/NGA-Equitable-DER-Deployment_Mar2023.pdf

⁸ See Justin Gundlach & Burcin Unel, Getting the Value of Distributed Energy Resources Right 3 (2019), https://policyintegrity.org/files/publications/Getting_the_Value_of_Distributed_Energy_Resources_Right.pdf (discussing issues of compensation and cost allocation).

⁹ Consider, for example, lessons learned from the deregulation of electricity generation in Pennsylvania. See Frank A. Felder, Whitepaper at 5, Distributed Energy Resources Participation in Wholesale Markets, Docket No. L-2023-3044115 (Pa. PUC May 24, 2024), <https://www.puc.pa.gov/pcdocs/1830824.pdf> (“**Although the electricity restructuring lessons learned literature is lengthy and differing, a reasonable assessment is that, 30 years ago, assessments for consumer protections were underestimated... The PUC can apply these lessons to its DER and DERA policies to anticipate, avoid, and mitigate adverse consequences for consumers.**” (emphasis added, internal citations omitted)) (herein after “OCA/Felder Whitepaper”).

Thoughtful, forward-looking rulemaking by the Commission is absolutely critical for Pennsylvania to benefit from DERA programs—without harming vulnerable ratepayers.

III. COMMENTS

CAUSE-PA offers the following comments and recommendations, each with the express goal of protecting vulnerable consumers. DERA programs may bring transformative change to Pennsylvania's grid. But that change must not come at the expense of already struggling Pennsylvania families. While we offer several recommendations throughout our comments, there are three overarching recommendations we wish to highlight most as the Commission considers its DERA regulations:

- (1) Ensure DERA programs do not shift costs to non-participants.
- (2) Establish strong consumer protections for DERA participants.
- (3) Require EDCs to integrate DERAs in planning.

CAUSE-PA submits that these overarching recommendations are crucial to ensuring that the implementation of DERA programs does not exacerbate the worsening energy affordability crisis or otherwise harm economically vulnerable households.

A. Ensure DERA programs do not shift costs onto vulnerable households.

The allocation of utility service costs must be fair, simple, and certain.¹⁰ The Commission must ensure its DERA regulations conform to these fundamental principles of ratemaking. While the potential benefits of DERA programs are exciting and worth pursuing, the well-being of

¹⁰ James C. Bonbright, Albert L. Danielsen & David R. Kamerschen, Principles of Public Utility Rates 383–84 (2d ed. 1988).

vulnerable Pennsylvania households must come first. To that end, CAUSE-PA urges the Commission to adopt the following recommendations.

- i. Prohibit dual compensation for DERA participants through net-metering regardless of utility size.*

CAUSE-PA supports the Commission’s proposed rule prohibiting net metered customer-generators serviced by EDCs with 100,000 or more customers from participating in wholesale DERA programs. Prohibiting dual compensation is crucially important to ensure that DERA programs do not increase costs for non-participants. However, the proposed rule does not contain a similarly explicit prohibition on dual compensation for customer-generators operating in an EDC service territory with fewer than 100,000 customers – instead deferring decisions about compensation rules for resolution in a petition proceeding.¹¹ The underlying ratemaking concern of avoiding duplicate compensation for the same service does not turn on utility size, and a petition-based exemption risks inconsistent treatment of similarly situated consumers. The Commission should amend its proposed rules to explicitly prohibit customer-generators in all PUC-regulated service territories, regardless of the size of the utility, from receiving compensation from both net-metering and wholesale DERA program participation.

- ii. Initiate separate “Value of DER” proceeding and ensure DERA programs will not impose added costs on non-participants.*

While several parties commented on cost-recovery, the Commission declined to establish any set fee or cost recovery mechanism, and does not explicitly authorize or prohibit the socialization of DERA-related costs – though it proposes to *allow* EDCs to “establish a fee to be

¹¹ See NOPR at 22; see also Annex § 57.263 (stating that EDCs with fewer than 100,000 customers may permit wholesale DERA participation with PUC approval, without the same requirements imposed on EDCs with 100,000 or more customers).

imposed on applicants” as part of a proposed tariff.¹² In doing so, the Commission leaves too many critical cost recovery policy issues for determination in an individual utility tariff proceedings. This will create an inequitable landscape across the Commonwealth, where cost recovery is developed on a piecemeal basis and influenced most by parties with the resources to engage in formal litigation.

Until concrete monetary values can be assigned for the benefits provided by novel DERs and DERA programs, the Commission should not permit EDCs to provide retail compensation to DER owners (aside from net metering), impose retail charges for aggregation services, rate base infrastructure supporting DERA participation, or otherwise recover costs associated with DERAs on non-participants.

Assessing the monetary value of the benefits provided by DERs is deeply complex. DERs and DERA programs may supply an impressive range of critical services beyond electricity generation—including frequency response, voltage management, and reserve power—and help address acute resource adequacy challenges. But current regulatory structures are not conducive to compensate for these services in a manner that serves the public interest. It is not enough to assign a general compensation rate for aggregation services. Different distribution-level services have different values. And different DER technologies—whether solar panels, electric vehicles, batteries, or smart thermostats—vary widely in terms of function and capability to achieve various

¹² NOPR at 39.

benefits.¹³ An accurate valuation of DERs and DERA programs must exclude illusory benefits, carefully analyze each service provided, and account for differences in underlying technologies.¹⁴

Until the Commission can properly quantify and assign monetary values to the distribution-level benefits of DERA programs, it should not permit EDCs to provide retail compensation or authorize cost socialization for aggregation services.¹⁵

CAUSE-PA continues to assert that the Commission should initiate a separate “Value of DER” proceeding to determine the range of potential distribution-level benefits of aggregation services. The Commission should not allow EDCs to rate base any aggregation infrastructure until or unless the benefits and costs are appropriately quantified and equitably assigned. Any new regulations must also ensure that DERA program participants are not compensated multiple times for the same services, whether through the retail or wholesale markets.

B. Enact strong consumer protections for DERA participants to the fullest extent of the Commission’s authority.

Initially, wealthy households that can afford DER adoption are likely to make up the bulk of DERA program participants.¹⁶ But even in early DERA programs, some low-to-middle income households may have opportunities to participate—for example, through no-cost smart thermostat

¹³ Energy + Environmental Econ., The Value Of, And Compensation For, Distributed Energy Resources In Illinois 75 (2025), <https://www.ethree.com/wp-content/uploads/2025/01/ICC-VDER-Report-FINAL-2025-1-17.pdf>; see also Pew Charitable Trusts, Distributed Energy Can Unleash the Resilient, Affordable Grid of the Future (April 28, 2026), <https://www.pew.org/en/research-and-analysis/reports/2026/04/distributed-energy-can-unleash-the-resilient-affordable-grid-of-the-future>

¹⁴ Matt McDonnell, Ron Nelson & Natalie Mims Frick, Distributed Energy Resource (DER) Integration Framework 7 (2025), https://eta-publications.lbl.gov/sites/default/files/2025-02/der_integration_framework_final_20250117.pdf.

¹⁵ Retail compensation for aggregation services is beyond the scope of this rulemaking. For now, the Commission should expressly prohibit retail compensation for aggregation services. If the Commission would like to explore retail compensation, it should do so at a later date through a separate proceeding.

¹⁶ Nat’l Governors Ass’n, State Approaches to Equitable Distributed Energy Resource Deployment 4 (2023), https://www.nga.org/wp-content/uploads/2023/03/NGA-Equitable-DER-Deployment_Mar2023.pdf.

programs.¹⁷ Over time, DERA programs may become more accessible to households of all income levels as DER technologies become more affordable,¹⁸ and DERA programs may prove particularly attractive to low and moderate income households seeking relief from soaring utility bills. Given the likely broad appeal, and the potential to attract vulnerable consumers, the Commission must enact strong consumer protections to discourage predatory business practices and safeguard the interests of vulnerable Pennsylvania ratepayers.

Unfortunately, despite comments from CAUSE-PA and the Office of the Consumer Advocate (OCA) urging adoption of strong consumer protections, the Commission did not include any consumer-focused provisions in its proposed regulations.¹⁹ Rather than establish any explicit parameters to protect consumers engaged in a DERA program on a consistent statewide basis, the Commission suggests that any further conditions on DER Aggregators would be determined through a utility-specific tariff proceeding.²⁰ This is a major oversight with potentially serious consequences. The implementation of DERA programs will mark another significant departure from the traditional electric utility model. Regulators underestimated the need for consumer protections during the last such structural shift, when Pennsylvania opened the door to residential retail market competition. The Commission must learn from past mistakes and enact strong consumer protections for DERA participants.

¹⁷ See, e.g., Low Income Smart Thermostats, PGW, <https://pgwenergysense.com/smart-thermostats/> (last visited Mar. 9, 2026) (“PGW provides and installs ENERGY STAR® Certified Wi-Fi enabled thermostats in the homes of income-qualified PGW customers at no cost to the customer.”).

¹⁸ See Ellen Kennedy, Hannah Lindsell & Nick Pesta, Electric Vehicles Are on the Road to Mass Adoption, RMI (June 27, 2025), <https://rmi.org/electric-vehicles-are-on-the-road-to-mass-adoption/> (“In the United States, owning a light-duty EV is now cheaper than owning a gas-powered car over a vehicle’s lifespan. This lower cost of ownership is thanks to ongoing savings from using electricity rather than fuel, less maintenance, and other recurring benefits.”).

¹⁹ NOPR at 15-16, 21-26.

²⁰ NOPR at 26.

Like DERA programs, residential retail competition was supposed to make electricity more affordable. Instead, over the last 10 years, residential retail competition in Pennsylvania has cost residential ratepayers well over \$2.2 billion.²¹ Retail consumers have reported a host of complaints about third-party generation suppliers, including unexpected rate hikes, hidden charges, and automatic reenrollment.²² There is a real possibility that third-party suppliers may get into the aggregation business themselves, opening new avenues to profit off vulnerable ratepayers.²³

Third-party suppliers are not the only culprits. Rooftop solar companies have also been caught spreading deceptive advertising and charging exorbitant prices.²⁴ The unfortunate reality is that innovations in electric service attract scammers—undermining the work of good-faith actors and harming those most desperate for relief.

²¹ See Testimony of Elizabeth R. Marx, Pa. Utility Law Project, Before the Pennsylvania House of Representatives House Energy Committee and Consumer Protection, Technology and Utilities Committee, Energy Affordability: Why are Utility Bills Rising, and What Should the General Assembly Do to Reduce Costs?, at 15, (Jan. 2026), https://static1.squarespace.com/static/620bb3996185131a2b420db8/t/697235f24d25b224b5c16975/1769092594377/HouseEnergyCmte_EnergyAffordability_PULP_01202026.pdf. The \$2.2 billion was derived from data compiled from monthly shopping data obtained in each of the EDC’s default service plan/program (DSP) proceedings. See Petition of PECO Energy Co. for Approval of a DSP for the Period of June 1, 2021 through May 31, 2025, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2025-3019290 (June 16, 2020); Petition of PECO Energy Co. for Approval of its DSP for the Period from June 1, 2025 through May 31, 2029, TURN/CAUSE-PA St. 1, Exhibit 1, Docket No. P-2024-3046008 (April 25, 2024); Petition of PPL Electric Utilities Corp. for Approval of a DSP for the Period of June 1, 2025 through May 31, 2029, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2024-3047290 (June 3, 2024); Petition of Duquesne Light Co. for Approval of a DSP for the Period of June 1, 2025 through May 31, 2029, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2024-3047290 (June 3, 2024); Petition of Duquesne Light Co. for Approval of a DSP for the Period of June 1, 2025 through May 31, 2029, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2024-3048592 (July 12, 2024); Joint Petition of MetEd, Penelec, Penn Power, and West Penn Power Company for Approval of their DSPs for the Period Commencing June 1, 2023 through May 31, 2027, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2021-3030012, -13, -14, -21 (Feb. 25, 2022). Additional residential retail shopping data quantified in FirstEnergy’s service territory places this figure closer to \$2.7 billion. Data on file with PULP.

²² *Id.* at 16.

²³ See Virtual Power Plant Programs Summary Table, Clean Energy States All., <https://www.cesa.org/projects/energy-storage-policy-for-states/virtual-power-plant-programs-summary-table/> (last visited Apr. 20, 2026) (listing virtual power plant programs).

²⁴ Alana Semuels, The Rooftop Solar Industry Could Be on the Verge of Collapse, Time (Jan. 25, 2024), <https://time.com/6565415/rooftop-solar-industry-collapse/>; Consumer Solar Awareness, U.S. Dep’t of Treasury, <https://home.treasury.gov/policy-issues/consumer-policy/consumer-solar-awareness> (last visited Mar. 11, 2026)

At a minimum, the Commission should amend its proposed rules to include the following consumer protections:

- i. Establish that participation in a DERA program will never lead to involuntary service termination.*

A consumer should never face termination of service if they are unable to pay for fees or charges associated with a DERA program.

The risk of termination arises if DERA charges are embedded in utility charges that are subject to collection and termination rules. Separating those charges functionally and legally prevents nonpayment from forming the basis of involuntary termination. As proposed by the OCA, the Commission should adopt a rule establishing “a standalone dual-billing process” for DERA program participants “that is conducted separate from the billing relationship between EDCs and their customers.”²⁵ DERA program administrators alone must bill participants. Prohibiting EDC involvement in DERA program billing eliminates the “risk[s] of non-collectables being assigned to ratepayers, increases in utility debt collection costs, and potential disputes of how to resolve partial payments.”²⁶

If the Commission is not inclined to accept the OCA’s recommendation, it should adopt an explicit rule requiring that any aggregation-related fees or charges must be segregated as a separate line item on the bill and clarifying that any such fees or charges must be classified as “nonbasic service charges.”²⁷ It is important that the Commission ensure any fees or charges are not folded into supply charges, which could form the basis of a termination. In turn, clarification that such

²⁵ OCA/Felder Whitepaper at 21.

²⁶ Id.

²⁷ See 52 Pa. Code § 56.83 (stating that nonpayment of such charges shall not result in utility service termination).

charges fit within this well-precedented designation would firmly establish that aggregation-related fees will never result in utility service termination.

- ii. Establish that households shall maintain control of vital appliances irrespective of participation in a DERA program.*

DERA programs have the potential to impact participants' physical lived experiences in unprecedented ways²⁸—far beyond EGS and traditional customer-generator structures. The Commission must enact a rule establishing that DERA program participants shall retain the ability to override administrator control of vital household appliances. Such a requirement would, for example, ensure that households with smart thermostats can always adjust temperature as necessary to maintain the health and safety of their inhabitants and that those with battery storage units can always use electricity stored therein when needed to power appliances such as life-sustaining medical equipment.

- iii. Mandate statewide licensing of DERAs with uniform consumer protection requirements.*

DERA consumer protections must be uniform statewide. Deferring consumer protection requirements to individual EDC tariff proceedings would invite inconsistencies and hinder transparency. The Commission should mandate the statewide licensing of DERAs²⁹ and impose uniform statewide protections. Licensing would give the Commission a uniform statewide threshold for participation, would allow the Commission to develop baseline disclosure, marketing, and billing standards, and would provide the Commission with a clear enforcement tool independent of utility-specific tariffs. Learning from issues arising from the licensing of EGSs, the

²⁸ See Jeff St. John, *Fine-Tuning How Homes Can Help The Grid As 'Virtual Power Plants'*, Canary Media (Nov. 26, 2024), <https://www.canarymedia.com/articles/virtual-power-plants/fine-tuning-how-homes-can-help-the-grid-as-virtual-power-plants> (describing how virtual power plants can manipulate home devices).

²⁹ See 52 Pa. Code § 54.31–.43 (imposing licensing requirements for EGSs).

Commission's DERA regulations should establish binding and enforceable penalties for DERA administrators who fail to comply, including binding requirements for license suspension and revocation. The Commission should also establish a DERA consumer complaint process, create a public database of DERA complaints (with confidential information redacted), and publish an annual report summarizing DERA consumer complaints.

iv. Require transparency in DERA transactions.

The Commission should require DERA program administrators to *clearly* disclose vital information to potential program participants before entering into binding agreements, and should take steps to ensure that consumers are fully informed of their rights.

First and foremost, these required disclosures should include how DERA program administrators will charge participants and how they will collect those charges. The required disclosures should also include a clear explanation of program benefits, how the program administrators will calculate and allocate those benefits, what data and information DERA program administrators will collect from program participants, what data and information DERA program administrators will obtain from an EDC regarding the participants' account, and whether and how a participants' data may be shared with other third parties.

Disclosures are only effective if ratepayers understand their contents. At an absolute minimum, the Commission should adopt a rule mandating that DERA disclosures comply with the measures outlined in its plain language policy statement.³⁰ Such a rule would require DERA program administrators to draft their disclosures using short sentences and common, non-technical words. However, plain language alone is necessary but not sufficient. Format, timing, and language

³⁰ 52 Pa. Code § 69.251.

access also matter. In recognition of Pennsylvania’s linguistic diversity, the Commission should go even further and adopt a rule requiring DERA program administrators provide all disclosures in program participants’ primary languages.³¹

v. *Prohibit automatic DERA program enrollment and reenrollment.*

Participating in a DERA program must be based on informed and voluntary consent. The Commission must prohibit automatic enrollment in DERA programs. Such protection is particularly important considering the possibility that EDCs may seek to administer their own DERA programs. It is also necessary to prevent smart appliance vendors from automatically enrolling purchasers in DERA programs without their informed consent. The Commission must also learn from pervasive EGS issues and ban automatic reenrollment in DERA programs. This protection would enable DERA program participants to reevaluate the costs and benefits of enrollment and decide how or if they want to continue participation.

vi. *Forbid early termination or cancellation fees.*

The Commission should also issue a rule ensuring that ratepayers are free to leave DERA programs at any time without penalty. Promises of cost savings and compensation may prove particularly attractive to low-income ratepayers struggling with rising utility bills. But exorbitant termination and cancellation fees could force those same vulnerable ratepayers to stay in DERA programs to avoid fees they cannot afford to pay – even if they find the programs are not beneficial. A firm ban against such fees would enshrine the freedom of choice necessary to equitably implement these new programs and technologies.

³¹ See Alex Fitzpatrick & Isaac Avilucea, [Pennsylvania’s Most Popular Languages](https://www.axios.com/local/pittsburgh/2025/06/13/pennsylvania-s-most-popular-languages), Axios (June 13, 2025), <https://www.axios.com/local/pittsburgh/2025/06/13/pennsylvania-s-most-popular-languages> (analyzing Pennsylvania census data).

C. Mandate that EDCs assess DER and DERA impacts through detailed integrated resource plans.

Careful planning is critical to ensure that Pennsylvania ratepayers reap maximum benefits from DERs and DERA programs while maintaining safe, affordable, and reliable electric service. A deliberate “any of the above” approach to electric service procurement promotes innovations that can lower costs and increase reliability. A scattershot “all of the above” approach can duplicate costs and fail to fully leverage the benefits of new technologies. Intentionality is the key to realizing the full potential of DERs and DERA programs.

The Commission should follow the lead of the Washington Utilities and Transportation Commission and amend its proposed rules to require that EDCs assess DERs and DERA programs through detailed integrated resource plans (IRPs).³² These IRP assessments should analyze direct and indirect costs and benefits.³³ Specifically, these assessments should study the effect of DERs on EDCs’ loads and operations, energy efficiency and conservation potential, demand response potential, and energy assistance potential.³⁴ EDCs should consider all forms of DERs that they or their customers may install “including, but not limited to, energy storage, electric vehicles, and photovoltaics.”³⁵ The Commission should also require EDCs to coordinate their IRPs with their default service plans and infrastructure improvement plans. Without IRPs, EDCs may neglect to account for DERs and DERAs when evaluating infrastructure upgrades, service procurement, and transmission and distribution costs—and fail to leverage any benefits these technologies and programs may offer.

³² See Wash. Admin. Code § 480-100-620(3) (requiring utility companies incorporate DER assessments into their integrated resource plans).

³³ See *id.*

³⁴ See *id.*

³⁵ See *id.* For further examples of recommended DER planning considerations, see H.B. 2429, Pa. Gen. Assemb., 2025–26 Reg. Sess. (Pa. 2026) (pending bill that would require EDCs to develop hosting capacity maps for DERs).

If the Commission is not positioned to require integrated resource planning at this time, it should at least adopt a rule explicitly requiring EDCs to account for DERs and DERA programs in their long-term infrastructure improvement plans³⁶ and default service plans.³⁷ Again, these analyses should study the direct and indirect costs and benefits of DERs and DERA programs and assess their actual/potential impact on EDC loads and operations, energy efficiency and conservation, demand response, and energy assistance.

IV. CONCLUSION

CAUSE-PA urges the Commission to take clear and decisive action on the recommendations outlined above. The potential cost-savings and reliability benefits of DERA programs are exciting, but the Commission must take care to ensure such programs do not exacerbate the escalating energy affordability crisis. CAUSE-PA appreciates the Commission for its time and attention to these critical matters, and we look forward to further engaging with the Commission on this important issue.

Respectfully submitted,

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³⁶ 52 Pa. Code §§ 121.1–.8.

³⁷ 52 Pa. Code § 54.186.