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Public Utilities Commission of Ohio
Attn: Docketing Division
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Columbus, Ohio 43215

PUCO

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Subject: Comments on case number 12-2050-EL-ORD

Currently the Ohio PUCO is proposing and considering changes to ORC 4901:1-10 regarding net metering as applicable to customer-generators. As a current customer-generator who is directly impacted by these proposals as well as being in a position where the electric utility we are interconnected to attempted to force us into a COGEN tariff rate this past year, these proposed changes by the PUCO come at a opportune time. Comments regarding those proposed changes are listed below.

1) 4901:1-10-28(A)(1) Net Metering. The electric utility stated that in our case, since our system was producing more than allowed, it no longer qualified as a customer-generator facility but would be reclassified as a co-generator facility. Although no changes to the definitions are being proposed, a literal interpretation of the definition as outlined in ORC 4928.01(A)(29) indicates the customer-generator definition fits and should be applied in the case of small residential producers with systems installed intending to supply electricity to that residential household and not the co-generator label the utility was attempting to apply. This more literal interpretation is needed.

2) 4901:1-10-28(B)(6) Net Metering. This proposed change more clearly defines the definition of customer-generator by specifying a specific maximum generation that as long as the customer-generator remains below, still qualifies them as a customer-generator. This revised definition is absolutely necessary to prevent issues such as the one I experienced with the electric utility.

This is the major issue that I experienced with the electric utility. They were misinterpreting the provisions stating that a customer generator could only offset part or all of the customer-generators requirements as meaning the customer-generator could only produce up to 100 percent of their requirements. As soon as the production was at 101 percent, the system no longer qualified as a net-metered system but a co-generator with a much higher tariff fee and lower returns for excess production credits. This interpretation moved the system's owner's into a lose-lose situation (higher fees and lower credits for excess monthly production).

3) 4901:1-10-28(B)(9) Net Metering. This revised and expanded wording provides more clearly defined requirements for determining and providing credits for production in excess of the current month's requirements. A true net-metering system, as defined by the government, provides for a KW credit for each excess KW produced in any given month.

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The KW credit is placed in an account for the customer-generator and can be pulled out and applied to months where the user required more power than their system was able to provide. This type of net metering system permits the customer-generator to more fully utilize their investment in their renewable energy system.

The current system converts the extra KW to a dollar credit using only the generation costs from the utility. I understand a court ruling mandated that only avoided generation costs can be applied to excess generation but there is nothing in the current law that I could find that states, the credits have to be converted to a cash value at the end of each monthly billing cycle. Actually the law states that for any electricity production in excess of requirements, a credit shall be given during the next billing cycle (ORC 4928.67(B)(3)(b)). There is nothing stating a cash value credit shall be given at the end of the billing cycle, so using this interpretation, the electric utility should be giving a KW credit and not a converted cash value. The converted cash value will only come into play when provisions of proposed change to 4901:1-10-28(B)(10) kick in, if a credit still exists after 12 months.

Summary. After carefully reviewing the proposed changes to the net metering section and looking back at what the electric utility attempted to do this past year, I fully support the changes being considered. The proposed changes provide for more detailed definitions in areas that were misinterpreted in the past, bring a true net-metering interpretation to the states laws by providing for a power credit for excess generation on a monthly basis, and provide for an overall more equitable procedures for those customer-generators attempting to provide greener power generation sources.

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