

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review)	
of Chapter 4901:1-10, Ohio Administrative)	Case No. 12-2050-EL-ORD
Code, Regarding Electric Companies)	

**APPLICATION FOR REHEARING OF
INTERSTATE GAS SUPPLY, INC.**

On January 15, 2014, the Public Utilities Commission of Ohio ("Commission") set forth a Finding and Order ("Jan. 15 Order") in the above captioned proceeding amending the rules that pertain to Electric Companies. Pursuant to Ohio Administrative Code ("OAC") 4901-1-35, Interstate Gas Supply, Inc. ("IGS") hereby submits this Application for Rehearing on the following issues:

- **OAC 4901:1-10-28 is unlawful and unreasonable in that it fails to clarify that reciprocating engine technology qualifies for utility net metering.**
- **OAC 4901:1-10-24(E) is unlawful and unreasonable in that it fails to allow reasonable access to customer usage data when consent is given by the customer.**

Failure of IGS to request rehearing on the other amendments to the Electric Company rules set forth in Jan. 15 Order neither indicates IGS' support or opposition to such rule changes.

MEMORANDUM IN SUPPORT

A. Reciprocating Engine Technology Should be Included as an Eligible Technology for Net Metering

In the Entry filed on November 11th 2012 Commission Staff proposed that a definition of microturbine be included in OAC 4901:1-10-28(A). In response to Staff's proposed rules, IGS and Hull & Associates ("Hull") filed comments requesting that the Commission include reciprocating engine technology as part of the proposed definition for microturbine.¹ The purpose of this proposed modification was to clarify that reciprocating engines, which is the most common generation technology used in combined heat and power ("CHP") systems, are eligible for utility net metering. As an alternative, IGS and Hull proposed that if the Commission did not modify the definition of microturbine, then reciprocating engine technology should be included in the list of generating technologies that are eligible for net metering under OAC 4901:1-10-28(A)(1)(a)(i).²

In the Jan. 15 Order, the Commission concluded that a definition of microturbines does not need to be included in OAC 4901:1-10-28(A). However, the Commission did not address whether reciprocating engine technology is eligible for net metering.

Ohio Revised Code 4903.09 provides that in every Opinion in Order issued by the Commission "the commission shall file . . . findings of fact and written opinions setting forth the reasons prompting the decisions arrived at, *based upon said findings of fact.*" The Commission did not base its decision in the proceeding on the findings of fact in the Jan. 15 Order, but rather simply ignored IGS' and Hull's concerns. Thus, rehearing

¹ IGS & Hull & Associates Comments at 2-5.

² *Id.* at 5.

should be granted on this matter to get clarification as to whether reciprocating engine technology qualifies for utility net metering.

It is important that the Commission clarify that reciprocating engine technology is eligible for net metering because it has been IGS' experience that certain electric distribution utilities are denying requests for net metering on CHP projects simply because reciprocating engine technology is being utilized instead of traditional turbines. This is despite the fact that reciprocating engines makeup a substantial portion of new installations for CHP projects of less than 5 MW.³

IGS does not believe that it is the Commission's intent to exclude reciprocating engine technology from net metering. Reciprocating engines perform the same function in CHP projects as microturbine generators, in that they are both capable of generating electricity and utilizing waste heat at the customer's premises. In fact, for smaller projects, reciprocating engines often provide higher electrical efficiencies than combustion microturbines of the same size.⁴

Excluding reciprocating engines from net metering effectively favors one technology for CHP projects at the expense of another, for no apparent reason. This is contrary to the principals guiding Governor Kasich's Common Sense Initiative which conclude that "regulations should facilitate, not hinder, economic growth" and "regulations should be enforced fairly and consistently." As such, the Commission should grant IGS' application

³ Information on CHP installation by state can be found on the Energy and Environmental Analysis Website. Ohio specific data can be found at: <http://www.eea-inc.com/chpdata/States/OH.html>.

⁴ The U.S. Department of Energy has a report on CHP prepared by Onsite Syscom Energy that discusses the different types of technology that can be utilized for CHP projects. The Onsite Syscom Energy Report can be found at: http://www1.eere.energy.gov/manufacturing/distributedenergy/pdfs/chp_comm_market_potential.pdf. See page 25.

for rehearing on this matter to clarify that reciprocating engine technology does qualify for net metering under the electric utility rules.

B. CRES Suppliers Should Have Access to Customer Smart Meter Data if Consent is Given by the Customer

In the Jan. 15 Order the Commission failed to modify OAC 4901:1-10-24(E) or 4901:1-10-29(E) to make it easier for customers to consent to disclosure of granular electric usage data available from smart meters. Currently the written consent requirements in OAC 4901:1-10-24(E)(4)(a) are burdensome for customers and likely to deter customers that otherwise would be interested in enrolling in a dynamic electric product that requires granular usage data. For instance, DP&L made a reasonable proposal in this proceeding which is to simply allow customers to consent to disclosure of energy usage data via a recorded telephone conversation. The Commission, however, rejected this proposal in the Jan. 15 Order without explaining why a recorded telephone conversation protects customer privacy any less than a written form.⁵

In order for more dynamic products to be offered to customers in the marketplace it is imperative that Commission rules and procedures enable CRES suppliers to have access to smart meter data required for these products. A rule that would allow customers to consent to disclosure of customer usage data via a recorded telephone call would do just this. Accordingly, IGS respectfully requests that the Commission reconsider its decision and allow customers to consent to the disclosure of their electric usage data via telephone and more broadly, lessen the overly burdensome written consent requirements set forth in OAC 4901:1-10-24(E)(4)(a).

⁵ Jan.15 Order, at 15.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I served a true copy of the foregoing Application for Rehearing upon the following via electric transmission, this 14th day of February, 2014.

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Summary: App for Rehearing electronically filed by Mr. Matthew White on behalf of IGS Energy