BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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

COMMENTS OF
THE DAYTON POWER AND LIGHT COMPANY

The Dayton Power and Light Company ("DP&L" or "the Company") appreciates the opportunity to provide comments in response to the Entry dated December 18, 2015 in which the Public Utilities Commission of Ohio ("Commission" or "PUCO") solicited interested parties' comments on proposed changes relating to the Commission's electric companies rules. We recognize the significant steps the PUCO Staff has taken to incorporate the comments already provided by interested parties in this docket. Given the extensive amount of revisions to 4901:1-10-28, DP&L will only address those portions that it believes need further editing and/or clarification.

STANDARD NET METERING COMMENTS

A. 4901:1-10-28(B)(5)(b) and 4901:1-10-28(B)(5)(c)

As an administrative matter, both 4901:1-10-28(B)(5)(b) and 4901:1-10-28(B)(5)(c) should be changed to reference (B)(5)(a) instead of referencing (A)(5)(a), which does not exist.

B. 4901:1-10-28(B)(6)

DP&L seeks clarification to 4901:1-10-28 to ensure that the net metered metering point specific to the account that is being net metered is located on the customer's

premise. By not specifying that the net metered metering point be on the lot or a contiguous lot, one could imply that premises could include any area owned, operated, leased, or otherwise controlled by the customer-generator. DP&L's clarification is seeking to prevent a situation in which a lot owned, operated, or leased by the customer-generator that is ten miles away from the net metered metering point be used simply on the basis that it is owned, operated, or leased by the customer-generator. In order to accomplish this goal, DP&L proposes the following changes to 4901:1-10-28(B)(6):

> "A net metering system must be located on the customer-generator's premises, regardless of whether the customer-generator is on the electric utility's net metering tariff or engaged in net metering with an electric services company. A customer-generator's premises is thean area with thea net metered metering point specific to the account being net metered that is owned, operated, or leased by the customer-generator, and may include a contiguous lot that is owned, operated, or leased by the customer-generator. For purposes of this rule, an area is considered a contiguous lot regardless of easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way."

Further, the Company would propose that Staff consider further language to clarify that locating a generator miles away from the meter in which energy is consumed is not net metering. Such a situation would create customer-owned distribution lines which is well beyond the intent of net metering provisions of the Revised Code and would lead to a whole new body of PUCO regulations for customer-owned distribution systems and could potentially run afoul of the Certified Territory Act set forth in R.C. 4933.81, *et seq*.

C. 4901:1-10-28(B)(7)(a)

Utilities should not have the burden of predicting consumption when this baseline is used to determine a customer-generator's requirements for electricity. There are many variances, such as a customer's unique usage habits and intentions of facilities, which

would make it very difficult to predict consumption. Therefore, customers should have the burden to present construction packets and usage estimates to the utility to demonstrate their net metering facility is not oversized. Therefore, DP&L proposes the following change to 4901:1-10-28(B)(7)(a):

> "The electric utility shall calculate a customer-generator's requirements for electricity as the average amount of electricity supplied by the electric utility to the customer-generator annually over the previous three years. In instances where the electric utility does not have the data or cannot calculate the average annual electricity supplied to the premises over the previous three years, such as instances of new construction, vacant properties, facility expansion, or other unique circumstances, the electric utility shall use any available consumption data or measures to establish an appropriate consumption estimate. Upon request from any customer, the electric utility shall provide to the customer the average annual electricity supplied to the premises over the previous three years, or provide a consumption estimate for the premises. If the electric utility finds there is no available consumption data or measures to establish an appropriate consumption estimate, it shall be the burden of the customer to estimate consumption."

D. 4901:1-10-28(B)(7)(b)

This section discusses size limitations for customer-generators and states that if the customer-generator is on the utility's tariff, it should not exceed 120% of their requirements at the time of the interconnection and goes on to state that there is no size limitation for customer-generators that are taking service from a CRES provider.

DP&L disagrees with the 120% threshold as the limit of the size of the system. Allowing customer-generators to size their system 20% above their historical usage will lead to consistent cases of excess generating. Customers will size their system for the maximum allowed, regardless of whether they plan to do energy efficiency or not. However, DP&L does understand the intent of allowing the 120% threshold, and has addressed this in its proposed rule 4901:1-10-28(B)(9)(g), *see, infra*.

DP&L agrees with the proposal that limiting the size of the customer-generator is appropriate, otherwise the customer's primary purpose is not to offset its own load, but is

instead intended to generate and sell energy on a wholesale level. Per the PUCO switching rules, a customer could switch from CRES service to SSO service, back to CRES service, etc. as often as monthly. From a physical perspective, once the customer-generator physically installs a generator, it cannot be resized based on whether the customer intends to take service from a CRES or from the electric distribution utility ("EDU"). Therefore, DP&L suggests that the size limitation should be determined one-time – at the time the customer-generator applies for interconnection with the distribution utility.

Moreover, if the customer wants to be considered for net metering status, it should ask the EDU to certify that its generator does not exceed 100% of the customer's annual electricity requirements based on the previous 36 months. If the customer adds more generation after the initial interconnection, it should be required to notify the EDU prior to installing additional generation to make sure the customer-generator can continue to operate in parallel with the utility's distribution system in a safe and reliable manner.

Based upon these Comments, DP&L suggests the following changes to the proposed rule 4901:1-10-28(B)(7)(b):

~~"(b) The electric utility's net metering tariff shall provide that customer-generators taking service under the electric utility's standard service offer must size their facilities so as not to exceed one hundred and twenty percent of their requirements for electricity at the time of interconnection. No limit on the size of a net metering facility shall be applied to customers taking service from an electric services company, except that customer-generators taking service from an electric services company must intend primarily to offset part or all of their requirements for electricity."~~ (b) At the time of interconnection, the customer-generator will inform the electric utility that it is considering net metering status with either the electric utility or an electric services company. The electric utility will certify that the customer-generator's system does not exceed one hundred percent of the customer-generator's annual electricity requirements based on the previous 36 months. This size determination will be determined one time, and will not be adjusted if the customer switches from the electric utility to an electric

services company, and vice versa. If the customer-generator installs more generation after the initial interconnection, the customer-generator shall be required to notify the EDU prior to installing the additional generation to make sure the customer-generator does not exceed one hundred percent of the customer-generator's electricity requirements as established at the time of the initial interconnection and that the system would continue to operate in parallel with the utility's distribution system in a safe and reliable manner."

E. 4901:1-10-28(B)(9)(c)

The proposed rule states, "An electric services company may offer a net metering contract at any price, rate, or manner of credit for excess generation." CRES providers, and not the EDU, are better positioned to interpret and apply CRES contract language. EDUs should not be obligated to properly calculate the value of excess energy credits on behalf of CRES providers. Therefore, DP&L suggests the Commission state in its rules that CRES providers must use bill-ready billing or dual billing for net metering customers.

F. 4901:1-10-28(B)(9)(d)

This section states that the EDU shall transmit to the electric services company the customer-generator's interval data for that billing period and also shall transmit to the electric services company the customer-generator's daily interval usage within twenty-four hours. DP&L seeks revisions to this particular provision for a number of reasons. First, the proposed rule assumes the EDU has an interval data meter installed, which may or may not be the case. Second, it seems redundant to require the EDU to transmit interval data associated with the monthly bill as well as provide it on a daily basis. Third, the EDU may provide a CRES provider with a portal such that the CRES provider may access interval usage on a periodic basis whenever it chooses. This would mean that the

EDU would not have to "transmit" the data. Based on these points, DP&L suggests the following changes to the proposed rule:

> "(d) If a customer-generator is engaged in net metering with an electric services company, and if the electric utility has installed ~~uses~~ a meter capable of measuring hourly interval usage data for that customer, at least twenty-four hours before the electric utility sends a bill to a customer-generator, the electric utility shall provide~~transmit~~ to the electric services company the customer-generator's interval data for that billing period. ~~The electric utility shall also transmit to the electric services company the customer-generator's daily interval usage data within twenty-four hours."~~

G. 4901:1-10-28(B)(9)

As previously mentioned, DP&L understands the need for a 120% threshold; therefore, DP&L proposes to add the following language for 4901:1-10-28(9):

> "(g) If the electricity received by the electric utility exceeds one hundred and twenty percent (120%) of the electricity supplied by the electric utility, for any 12-month period, the customer-generator will be considered not primarily intending to offset part or all of its requirements for electricity and will be considered an excess-generator. Excess-generators will be removed from the electric utility's net metering tariff and billed only on the electricity that is supplied by the electric utility. Customer-generators that are deemed excess-generators will be removed from the electric utility's net metering tariff for a minimum of twelve months. If after a minimum of twelve months the customer-generator is not an excess-generator, the customer-generator will be permitted to return to the electric utility's net metering tariff."

This provision will ensure that customer-generators appropriately size their system, while also understanding that a customer's usage may decrease over time due to energy efficiency measures or just a general decrease in load requirements. Sizing of a net metering system at 100% while allowing flexibility to 120% of what the EDU receives from the customer is a fair balance between the interests of the EDUs and customer-generators. Without this language, customer-generators have no penalty for violating the net metering rules and oversizing their system in order to continually receive excess generation credits, thereby making them a power producer or wholesale

seller of energy. This measure will be another deterrent of customer-generators "gaming" the rules by oversizing their system while served by an electric services company and then switching to an electric utility.

H. 4901:1-10-28(B)(10)

This section states that the electric utility shall not impose any charges on the customer-generator that relate to the electricity the customer-generator feeds back to the system. DP&L suggests that the Commission clarify that this does not prohibit an EDU from filing liability claims against a customer-generator if the customer-generator causes physical interruption of service to other customers served from that same distribution line, or damages the EDU's distribution equipment due to overloading or exceeding other engineering standards.

HOSPITAL NET METERING COMMENTS

Hospitals that net meter should have the same ability to shop for competitive retail electric service as other customer-generators. To make this portion of the rule consistent with 4901:1-10-28(B)(1), DP&L proposes the following language to 4901:1-10-28(C)(1):

> "Each electric utility shall develop a separate tariff providing for net metering for hospitals~~. Such tariff shall be made available to qualifying hospital customers upon request.~~ and make such tariff available to hospitals taking service under the electric utility's standard service offer upon request, in a timely manner, and on a nondiscriminatory basis. Hospitals on an electric utility's net metering tariff shall not be precluded from shopping for competitive retail electric service but shall be informed that they will not remain on the electric utility's net metering tariff and will not be billed by the electric utility as described in 4901:1-10-28(C)(6). An electric services company may offer a net metering contract to its customers, consistent with Chapter 4901:1-21 of the Administrative Code. The electric services company and the hospital shall define the terms of the contract, including the price, rate, credit, or refund for any excess production by a customer-generator. An electric services company is not required to enter into any net metering contract with any customer. Only customers who have signed an

interconnection agreement with the electric utility may engage in net metering with an electric services company.

CONCLUSION

DP&L appreciates the opportunity to provide comments and urges the Commission to adopt the recommendations set forth above.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the Comments have been served via electronic service upon the following parties this 18th day of December, 2015.

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Summary: Comments Comments of The Dayton Power and Light Company electronically filed by Mrs. Mary C. Mitchell on behalf of The Dayton Power and Light Company