

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission’s :  
Review of Chapter 4901:1-10 of the Ohio : Case No. 12-2050-EL-ORD  
Administrative Code. :  
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**ONE ENERGY ENTERPRISES LLC’S MEMORANDUM CONTRA OHIO  
EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING  
COMPANY, AND THE TOLEDO EDISON COMPANY’S APPLICATION  
FOR REHEARING**

## I. INTRODUCTION

One Energy Enterprises LLC (“One Energy”) respectfully requests that the Public Utilities Commission of Ohio (“Commission”) deny the application for rehearing filed by Ohio Edison Company, The Cleveland Electric Illuminating Company, and the Toledo Edison Company (collectively “FirstEnergy”) in this case on December 8, 2017. Specifically, the Commission should reject FirstEnergy’s arguments that the Commission’s definition of the term “premises” is contrary to the exclusive certified territories established by the General Assembly and would promote unsafe conditions. FirstEnergy’s arguments are undeveloped, without merit, and do not provide a basis on which the Commission should grant rehearing.

## II. LAW AND ARGUMENT

### A. Allowing a customer-generator's "premises" to include lots contiguous to the area with the customer generator's metering point is not contrary to the exclusive service territories established by the Revised Code.

The Revised Code provides that "each electric supplier shall have the exclusive right to furnish electric service to all *electric load centers* located...within its certified territory..."<sup>1</sup>

Electric load center means:

*all the electric-consuming facilities of any type or character owned, occupied, controlled, or used by a person at a single location which facilities have been, are, or will be connected to and served at a metered point of delivery and to which electric service has been, is, or will be rendered.*<sup>2</sup>

Contrary to FirstEnergy's assertions, a customer-generator installing a net metering system on a contiguous lot does not infringe upon the certified territories established in the Revised Code.<sup>3</sup> When a net metering system is installed, even if it is located on a contiguous lot, the utility does not install an additional metered point of delivery. Instead, the customer-generator's metered point of delivery remains the same and the net metering system is interconnected behind the customer's meter. This configuration is the same whether a net metering system is located on the same parcel of land as the customer-generator's facility or on a contiguous lot. The only difference if a net metering system is located on a contiguous lot is that longer collection lines exist between the generation portion of the net metering system and the customer-generator's facility.

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<sup>1</sup> R.C. 4933.83(A) (emphasis added).

<sup>2</sup> R.C. 4933.81(E) (emphasis added).

<sup>3</sup> *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, (Application for Rehearing of FirstEnergy at 8) (Dec. 8, 2017).

In addition, an “electric load center” does not cease to be a single “electric load center” because a portion of a net metering system crosses an easement, right-of-way, or thoroughfare. Commercial and industrial facilities cross easements and rights-of-ways all the time. The Commission has never interpreted the phrase “single location” for purposes of the definition of “electric load center” so restrictively. In fact, it would contradict Commission precedent to do so.<sup>4</sup>

Net metering systems are part of the electric consuming facilities used by the customer-generator. Net metering systems are connected to, and part of, a customer-generator’s electrical system. When the wind is not blowing, or the sun is not shining, the net metering system is consuming power from the customer-generator’s electrical system to yaw, run electrical and computer systems, and run cooling equipment, among other things. Functionally, the electricity consumed by net metering systems for these activities is indistinguishable from the electricity consumed by the customer-generator’s facilities. Net metering systems are not independently connected to an electric utility’s distribution system, separate from the customer-generator’s plant or home. They are connected directly to the customer-generator’s electric facilities, which allows the customer-generator to continue to maintain one metered point of delivery, just as it always has. Therefore, allowing a customer-generator’s “premises” to include lots contiguous to its facilities does not cause it to become multiple electric load centers or to violate a utility’s certified territory.

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<sup>4</sup> See *In the Matter of the Complaint of Union Rural Electric Cooperative, Inc., v. The Dayton Power & Light Company*, Case No. 88-947-EL-CSS, (Finding and Order at 11-12) (Jan. 24, 1989) (finding that whether a facility is located on a single parcel is not dispositive of whether electric-consuming facilities are located at a “single location,” and that the facts, such as whether components of the facility are “contiguous” and “interrelated,” must be evaluated for each case).

**B. Allowing a customer-generator’s “premises” to include lots contiguous to the area with the customer generator’s metering point does not “promote unsafe conditions.”**

As One Energy discussed at length in its Application for Rehearing submitted on December 8, 2017 in this case, it is a mischaracterization to state that it is an unsafe practice to locate net metering facilities on contiguous lots. Such practices are governed by a comprehensive, long-standing legal framework in Ohio that also governs the way electric utilities themselves cross private and public land. Consequently, the Commission should reject FirstEnergy’s unsupported assertions that it promotes “unsafe conditions” to allow net metering systems to be located on contiguous lots.<sup>5</sup>

**III. CONCLUSION**

Large facilities, including industrial manufacturing facilities, commercial corporate campuses, and football stadiums, have complicated real estate structures that are the result of hundreds of years of prior real estate transactions and dealings. The Commission’s definition of “premises” in this case will be integral to ensuring that these facilities are not foreclosed from the benefits of net metering. At their best, FirstEnergy’s arguments regarding the definition of “premises” are misguided and misplaced. At their worst, FirstEnergy’s arguments are an attempt to halt the installation of net metering systems, like wind powered net metering systems, that require the use of land to be installed. It is safe, lawful, and appropriate for net metering systems to be located on contiguous lots and to cross easements and other rights-of-way. Therefore, the Commission should deny FirstEnergy’s application for rehearing.

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<sup>5</sup> *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, (Application for Rehearing of FirstEnergy at 8) (Dec. 8, 2017).

Respectfully submitted,

*/s/ Katie Johnson Treadway*

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## **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing Memorandum Contra submitted on behalf of One Energy Enterprises LLC has been filed with the Commission's Docket Information System on December 18, 2017 and is available for all interested parties.

/s/ Katie Johnson Treadway  
Katie Johnson Treadway

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Summary: Memorandum Contra the Application for Rehearing of the Ohio Edison Company, The Cleveland Electric Illuminating Company, and the Toledo Edison Company electronically filed by Ms. Katie Johnson Treadway on behalf of One Energy Enterprises LLC