



MSEIA SOLAR REPORT FOR PENNSYLVANIA NOVEMBER 2016 SUMMARY

Strategic Highlights

Note: this month we're providing highlights on activities in neighboring markets...

Comments filed in Maryland's public conference to review the state utility distribution grids. Renewable energy parties filed comments ahead of the PC44 public conference scheduled for December 8-9. Of note, Grid Alternatives believes that PC44 is positive step to transition Maryland to a distributed energy resources (DER) economy, with low-to-moderate income residents who are disproportionately impacted by utility bills benefiting the most from this transition. The Microgrid Resources Coalition strongly supports calculating the benefits and costs of DER, but believes that beyond solar, including microgrids is essential for a comprehensive analysis. Maryland Solar United Neighborhoods expressed concern that the Pepco-produced paper, "Initial Considerations for Grid Modernization in Maryland," fails to discuss how the process of utility transformation can be joined to fulfill Maryland's policy goals of reducing greenhouse gas emissions in the energy sector. Maryland SUN recommends a broader roadmap set the stage for a full utility transformation agenda...

Pepco reports on interconnection statuses. Pepco advised the MDPSC that through the end of September, it has received more than 400,000 interconnection applications across its three utilities...

MDPSC approves Delmarva's power factor changes. The MDPSC approved tariff revisions proposed by utility Delmarva that took effect on October 1. The revisions came in response to concerns about the utility's treatment of power factor issues expressed by the solar industry and net metering customers. In response to questions from MDPSC Chairman Hughes, Delmarva noted only a handful of customers are impacted by this change and all will have a lower bill as a result...

Parties respond to draft decision in the Connecticut review of net metering credit banking policy. Of note, RESA requested clarification from PURA (a) that suppliers will not be required to reimburse customers for banked kWh until the utilities' load settlement issues are resolved; (b) that suppliers will be required to reimburse customers at their avoided wholesale cost; (c) that each supplier will only be required to reimburse customers for banked kWhs for the period that supplier served the customer; and (d) regarding the working group that will be established to address the utilities' load settlement issues...

Virginia rejects utility's proposed community solar rider. Appalachian Power Company's application for approval of an experimental rider for the purchase of non-dispatchable renewable energy has been dismissed by the State Corporation Commission. This was a utility-sponsored effort to develop community renewable energy generation...

Pennsylvania - Renewable Energy

Reference No.	Office of Gov. Wolf Press Release <i>(Opened on 11/02/2016)</i>
Description	Gov. Wolf announced that Pennsylvania will launch a new solar policy planning process beginning in 1/17, as a result of state being awarded a \$550,000 grant from the federal Department of Energy. The process will be led by the state Department of Environmental Protection and will aim to increase in-state solar generation to provide 10% of Pennsylvania electricity sales by 2030. Issues that will be considered in the process include the state's Alternative Energy Portfolio Standards; improved integration of distributed generation into the electric grid; and changes to incentives and business models to achieve policy objectives for solar deployment, including increased participation by low-income customers.
Why It Matters	This appears to be a broad-in-scope policy initiative with the potential to jump-start the Pennsylvania solar market.
Recent Action	Office of Gov. Wolf issued press release (11/2/16).
Next Action	Working group meetings will begin in 1/17. A draft report will be produced for public comment in 1/18, with final publication expected in 6/18.



Pennsylvania - Renewable Energy

Reference No.	PAPUC Docket No. P-2016-2546452 <i>(Opened on 05/20/2016)</i>
Description	<p>Petition of PECO Energy Company (PECO) for: (1) approval of its Microgrid Integrated Technology Pilot Plan; and (2) issuance of a declaratory order regarding the recovery of microgrid costs.</p> <p>PECO seeking PAPUC approval for authority to conduct a community microgrid pilot, which would include the utility constructing, owning, and operating several distributed energy resource technologies to power the proposed microgrid, including natural gas engines. PECO is proposing two integrated microgrids to support approximately 388 acres in Concord Township with a variety of public service loads, including healthcare, local emergency services, a retirement community, hotels and gas stations to form a microgrid capable of supplying power to three critical government facilities and twenty-seven public accommodations with a typical aggregate peak load of 8.6 MW. PECO also will share lessons learned from the Pilot to create a roadmap for the deployment of future microgrids and the integration of DERs.</p> <p><i>Associated Case: PAPUC Docket No. A-2016-2546450 - PECO's application for construction of microgrid distributed energy resources fueled by natural gas.</i></p>
Why It Matters	As in the recently-rejected proposal by BGE in Maryland, this proposal raises significant concerns about utility involvement - and rate recovery - in what should be a competitively-provided service.
Recent Action	<p>ALJ issued notice that the hearing scheduled for 10/18/16 and 10/19/16 was canceled (10/18/16), suggesting a settlement agreement is imminent or PECO intends to withdraw the application.</p> <p>Peco filed to withdraw the application (10/27/16).</p>
Next Action	Awaiting next action.



Pennsylvania - Renewable Energy

Reference No.	PAPUC Docket No. L-2014-2404361 <i>(Opened on 02/06/2014)</i>
Description	Proceeding to revise the Alternative Energy Portfolio Standards (AEPS) Act, related to standards and policies for net metering, interconnection, and AEPS obligations. <i>See IRRC Docket No. 3061</i>
Why It Matters	Clarifications to the policies related to net metering and interconnection could be helpful but could also exclude certain renewable energy technologies from getting favorable treatment. AEPS changes could result in changes to supplier compliance obligations.
Recent Action	PAPUC re-issued final regulations to address Attorney-General, IRRC, and stakeholder concerns about the definition of "utility" (10/27/16).
Next Action	Awaiting final publication of the regulation in the <i>PA Bulletin</i> .



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