STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	:	
On Its Own Motion	:	**15-0273**
	:	
Amendment of 83 Ill. Adm. Code 465	:	

VERIFIED REPLY COMMENTS OF
THE RETAIL ENERGY SUPPLY ASSOCIATION

The Retail Energy Supply Association[1] ("RESA"), by and through its attorney, Gerard T. Fox, pursuant to the Illinois Administrative Procedure Act, 83 Ill. Adm. Code Part 200 and the Administrative Law Judge's Ruling, hereby submits the following Verified Reply Comments in this proceeding, the Illinois Commerce Commission's ("Commission") rulemaking proceeding to amend 83 Ill. Adm. Code Part 465, Net Metering.

I. INTRODUCTION

On June 24, 2015, RESA submitted its Verified Initial Comments in this proceeding. Initial Comments were also filed by the Illinois Attorney General ("AG"), the City of Chicago ("City"), Commonwealth Edison Company ("ComEd"), Elevate Energy ("Elevate"), the Environmental Law and Policy Center ("ELPC"), and, jointly, the Citizens Utility Board and the Environmental Defense Fund ("CUB/EDF").

[1] The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of more than twenty retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

In its Initial Comments, RESA addressed two issues. First, RESA proposed a revision to proposed Subsection 465.35 (k) to provide that a new electricity supplier's obligation to notify a net metering customer of the steps required to apply for net metering with the new electricity suppliers begins after the electric utility notifies the new electricity supplier of the new customer's net metering status. (RESA In. Comments, p. 2) Second, RESA recommended that proposed Section 465.90, Meter Aggregation, be omitted from the proposed rules. (*Id*., pp. 2-3)

In these Reply Comments, RESA will address the Initial Comments of the following parties on certain issues. First, ComEd proposed revisions to proposed Subsection 465.35 (k); however RESA prefers its proposed revision to that subsection. Second, ComEd proposes an inappropriate revision to Section 465.70, Penalty Provisions. Third, a number of parties addressed proposed Section 465.90, Meter Aggregation, a section, which, as previously stated, RESA believes should be omitted from the proposed rules. In addition, RESA proposes a revision to Section 465.50, Electricity Provider Billing to Eligible Customers, to solve a problem when the net metering customer is a net seller of electricity for a billing period and the electricity supplier is not the electric utility.

II. SECTION 465.35, NET METERING APPLICATION AND ENROLLMENT PROCEUDRES

As previously stated, RESA proposed to revise Subsection 465.35 (k) as follows:

> With respect to any customer that has been authorized for net metering that is switching from one electricity supplier to another, the new electricity supplier shall inform the customer within 15 calendar days after the date the electric utility provides the notice to the new electricity supplier pursuant to Subsection 465.35 (j), ~~accepts the enrollment request~~ of any steps that are necessary to apply for net metering with the new supplier.

RESA made this proposal to solve the problem that if a new electricity supplier is not notified when a net metering customer is switched from one Alternative Retail Supplier ("ARES") to another ARES, the ARES that is the new electricity supplier has no way of knowing that the switched customer is a net metering customer.

ComEd would solve this problem by revising proposed Subsection 465.35 (k) to put the obligation of communicating the net metering status of a customer on the customer. (ComEd In. Comments, p. 4) However, RESA prefers its proposed revision to Subsection 465.35 (k), because the utility will always know whether the customer is a net metered customer and is therefore the most efficient provider of that information.

III. SECTION 465.50, ELECTRICITY PROVIDER BILLING TO ELIGIBLE CUSTOMERS

Section 465.50 of the current rules provide that, for all types of customers, the electric utility shall determine whether the customer is a net purchaser of electricity or a net seller of electricity. However, proposed Section 465.50 provides that the electricity supplier shall determine whether the customer is a net purchaser of electricity or a net seller of electricity.

The proposed revision to Section 465.50 creates a problem because when the electricity supplier is not the electric utility, the electricity supplier is not metering the customer's usage—the electric utility is. Currently, if a net metering customer has negative usage (that is, the customer generates more than it uses), ComEd's EDI

transaction identifies the usage as "zero" rather than the negative number. Accordingly, the following language should be inserted in proposed Section 465.50 after the title:

> If the electric utility is not the electricity supplier, the electric utility shall transmit to the electricity supplier via standard electronic billing protocol the applicable billing kWh for each billing period. If the customer is a 'net purchaser of electricity' during the billing period, the electric utility shall transmit the billing kWh equal to the net kWh usage. If the customer is a 'net seller of electricity' for the billing period, the electric utility shall transmit the net kWh for the billing period less usage credits from prior billing periods, if applicable. All unused credits in a given billing period shall be carried over to subsequent billing periods. The electric utility shall process credit amounts from Section 465.50 as a credit toward an electricity supplier's load for settlement with the applicable retail transmission organization.

IV. SECTION 465.70, PENALTY PROVISIONS

Proposed Subsection 465.70 (a) (2) provides that the Commission may, after notice and hearing, require an "electricity utility"[2] to make due reparations or refunds as permitted by statute. ComEd proposes to revise this subsection to refer to "electricity provider" on the basis that "this provision may apply to either an electric utility or to an electric supplier such as a RES, depending on the circumstances" and its proposed revision would "not limit the applicability of Section 465.70 solely to an electric utility. (ComEd In. Comments, p. 5)

However, proposed Section 465.70 would not be limited to electric utilities, as revised in the First Notice Rules; only Subsection 465.70 (a) (2) would be so limited. Moreover, this limitation is appropriate because the Commission does not have the authority to require ARES to make "reparations" or "refunds". Section 16-115B of the Public Utilities Act sets forth the Commission's authority to impose penalties on ARES including cease and desist orders, financial penalties, and modification or revocation of

[2] Note that the reference should be to "electric utility".

certificates. It does not provide the Commission with authority to make "reparations" or "refunds". Thus, ComEd's proposed revision to proposed Section 465.70 should be rejected.

V. SECTION 465.90, METER AGGREGATION

The First Notice Rules include a new section, Section 465.90, Meter Aggregation. Pursuant to the new Subsection 465.90 (a), electricity suppliers would have to separately consider each application for meter aggregation and determine whether to allow such meter aggregation on the basis of the facts and circumstances presented in each application. Moreover, pursuant to new Subsection 465.90 (b), if the electricity supplier determines that it will not allow meter aggregation, it must provide an explanation of its determination, based on the facts and circumstances, in a written document which must be simultaneously filed with the Commission's Chief Clerk and provided to the applicant. The document must be provided within 30 days after the electricity supplier receives the application.

The AG, the City, Elevate and the ELPC all support Section 465.90, as proposed in the First Notice Rules. CUB/EDF propose additional requirements including establishment of an application form, publication of application procedures on the electricity supplier's website, and designation of a point of contact "able to direct questions concerning meter aggregation request submissions and the meter aggregation process to knowledgeable individuals within the company". (CUB/EDF In. Comments, pp. 5-6)

ComEd argues that Proposed Section 465.90 conflicts with Section 16-107.5 of the Public Utilities Act by imposing two obligations on electricity suppliers not found in

that section, nor in any other section of the Act, namely the obligation to consider each meter aggregation application individually and the obligation to prepare a written, individualized analysis. (ComEd In. Comments, pp. 6-8) RESA agrees with ComEd on this issue and that, as RESA recommended in its Initial Comments, Proposed Section 465.90 should be deleted. In light of the fact that CUB/EDF's proposed revisions to Proposed Section 465.90 would impose additional obligations on electricity suppliers not found in the Public Utilities Act, those proposed revisions should be rejected. Moreover, it is not clear that an RES could move forward with a meter aggregation project if the electric utility does not believe individual meter aggregation projects are supported under the Public Utilities Act.

VI. CONCLUSION

In conclusion, RESA recommends that the Commission make the revisions to the First Notice Proposed Rules offered by RESA. The Commission should reject the revision proposed by ComEd to Subsection 465.70 (a) (2) and, if the Commission does not delete Proposed Section 465.90, it should reject the revisions proposed by CUB/EDF.

Respectfully submitted,

Retail Energy Supply Association

By: */s/ GERARD T. FOX*

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NOTICE OF FILING

Please take note that on July 27, 2015, I caused to be filed via e-docket with the Chief Clerk of the Illinois Commerce Commission, the attached Verified Reply Comments of the Retail Energy Supply Association in this proceeding.

/s/GERARD T. FOX
Gerard T. Fox

CERTIFICATE OF SERVICE

I, Gerard T. Fox, certify that I caused to be served copies of the foregoing Verified Reply Comments of the Retail Energy Supply Association upon the parties on the service list maintained on the Illinois Commerce Commission's eDocket system for Ill. C. C. Docket 15-0273 via electronic delivery on July 27, 2015.

/s/ GERARD T. FOX
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