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Press Release

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DCPSC urges FERC to reject a petition attempting to remove net energy metering programs from state utility regulators

(Washington, D.C.) The Public Service Commission of the District of Columbia (Commission) filed a Protest to the New England Ratepayers Association's (NERA) Petition for a Declaratory Order urging the Federal Energy Regulatory Commission (FERC) to reject a Petition that requests FERC to declare that FERC has sole jurisdiction over net energy metering (NEM) to the exclusion of state regulation. The Petition for a Declaratory Order asserts that any excess energy delivered to a utility at any time is a wholesale sale, subject solely to FERC's regulatory jurisdiction. The Commission supports and joins in comments filed by the National Association of Regulatory Utility Commissioners (NARUC) arguing the request of NERA is contrary to current law, which places NEM programs under state authority. The Commission also joined in similar comments filed by the Organization of MISO States (OMS) and the Organization of PJM States, Inc. (OPSI) recommending that FERC should dismiss NERA's Petition.

Over 46 states and the District of Columbia have adopted NEM programs to help advance clean energy policy goals, such as attaining renewable portfolio standards and reducing greenhouse gas emissions. The states argue that FERC's granting of the Petition would infringe on the Public Utility Regulatory Policies Act (PURPA) and the Federal Power Act (FPA), wherein Congress intended NEM programs to fall under state jurisdiction. The Petition also proposes to give the federal government decision-making power that has long belonged to the states, including the authority to set rates, terms, and conditions for NEM programs.

"Net metering is essentially a local matter that Congress intended to leave to the states," stated Willie L. Phillips, Chairman of the Commission. "NERA has not provided a sufficient reason to undo decades of NEM programs which legally fall under state jurisdiction."

The Commission also agrees with OPSI that "the energy produced by [net energy metering] generating facilities is...a state jurisdictional issue." Further, the Commission supports NARUC's filed Protest, where it highlighted that "States began adopting net metering programs, shortly after PURPA was enacted. Neither this Commission nor Congress acted to limit the adoption of those programs or alter the terms of the programs. Over decades, states have responded to this direction, carefully crafting new net metering programs and revising existing programs, acting in reasonable reliance on the Commission's findings and on federal law. The [NERA] Petition completely fails to recognize this context."

The Public Service Commission of the District of Columbia is an independent agency established by Congress in 1913 to regulate electric, natural gas, and telecommunications companies in the District of Columbia.