



Institute for  
Policy Integrity

NEW YORK UNIVERSITY SCHOOL OF LAW

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## **FERC REJECTS NERA PETITION THREATENING NET METERING PROGRAMS**

Today, the Federal Energy Regulatory Commission (FERC) unanimously rejected a petition by the New England Ratepayers Association (NERA) that would have upended net metering programs, which are the most common way for states to compensate owners of solar panels and other distributed energy resources (DERs). NERA, a group that claims to represent ratepayers but has multiple ties to utility companies, asked FERC to revisit whether net metering is subject to state or FERC jurisdiction—a question FERC had answered in 2001. NERA’s petition prompted over 40,000 comments from policymakers, regulators, advocacy groups, legal experts, academics, and individuals. Only a handful of those comments supported NERA’s position.

Had FERC taken up NERA’s arguments, it would not only have upended the legal basis for net metering programs, but would also have severely hampered ongoing efforts by numerous states to develop programs that value DERs with greater accuracy. By rejecting NERA’s arguments decisively, FERC has left the path clear for states to continue supporting the deployment of DERs—and to do so in ways that can reduce greenhouse gas emissions and improve resilience to extreme events and other disruptions.

The Institute for Policy Integrity at New York University School of Law [submitted public comments](#) and [published a piece in \*Utility Dive\*](#) rebutting the petition. Policy Integrity [has also written extensively](#) on how state-level regulators can better compensate DER owners.

**Dr. Burcin Unel, Energy Policy Director at the Institute for Policy Integrity, has released the following statement:**

*“NERA argued that by claiming authority over net metering, FERC could increase the efficiency of energy markets and DER compensation. But, only state utility commissions have the regulatory tools to efficiently compensate DERs for all the value they can provide. Today’s decision allows states to continue their efforts to do exactly that.”*

**Justin Gundlach, Senior Attorney at the Institute for Policy Integrity, has released the following statement:**

*The New England Ratepayers Association asked FERC to seize states' authority to value DERs—not so that DER owners would be compensated more accurately, but so that they would be paid less. FERC rightly saw that NERA's petition did not deserve consideration and rejected it.”*

Please let me know if you'd like to speak with Dr. Burcin Unel, Justin Gundlach, or another one of our staff members about these issues.

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[The Institute for Policy Integrity](#) at New York University School of Law is a non-partisan think tank dedicated to improving the quality of government decisionmaking. The institute produces original scholarly research in the fields of economics, law, and regulatory policy; and advocates for reform before courts, legislatures, and executive agencies.