

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF SMALL BUSINESS ADVOCATE

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Harrisburg, Pennsylvania 17101

William R. Lloyd, Jr.  
Small Business Advocate

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October 5, 2010

**HAND DELIVERED**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Petition of PECO Energy Company for Approval of Its Act 129 Energy Efficiency  
And Conservation Plan and Expedited Approval of Its Compact Fluorescent Lamp  
Program  
Docket No. M-2009-2093215**

Dear Secretary Chiavetta:

I am delivering for filing today the original plus three copies of the Answer, on behalf of the Office of Small Business Advocate, in the above-captioned proceeding.

Two copies have been served today on all known parties in this proceeding. A Certificate of Service to that effect is enclosed.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive that reads "Daniel G. Asmus" with the initials "WRL" written below it.

Daniel G. Asmus  
Assistant Small Business Advocate  
Attorney ID No. 83789

Enclosures

cc: Parties of Record

Robert D. Knecht

SECRETARY'S BUREAU  
PA PUC

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PECO Energy Company** :  
**Power for Approval of its Act 129** :  
**Energy Efficiency and Conservation Plan,** : **Docket No. M-2009-2093215**  
**And Expedited Approval of its** :  
**Compact Fluorescent Lamp Program** :

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**ANSWER OF THE  
OFFICE OF SMALL BUSINESS ADVOCATE**

Pursuant to 52 Pa. Code §5.61(a), the Office of Small Business Advocate

(“OSBA”) files this Answer to the proposed changes of PECO Energy Company (“PECO”) or (“the Company”) to its Energy Efficiency and Conservation Plan (“Proposed Changes”) that were filed with the Pennsylvania Public Utility Commission (“Commission”) on September 15, 2010, and avers the following in support thereof:

**I. INTRODUCTION**

1. The Office of Small Business Advocate is authorized and directed by the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50, to represent the interests of small business consumers of utility services in matters before the Commission.

**II. BACKGROUND**

2. Act 129 of 2008 charged the Commission with establishing an energy efficiency and conservation program. *See* 66 Pa. C.S. §2806.1(a). Act 129 also directed each electric distribution company (“EDC”) with at least 100,000 customers to file an energy efficiency and conservation plan (“EE&C Plan”) with the Commission for review and approval. *See* 66 Pa. C.S. §2806.1(b) and (l).

3. PECO filed its EE&C Plan on July 1, 2009, pursuant to the Commission's directive at *Energy Efficiency and Conservation Program*, Docket No. M-2008-2069887. (Order entered January 16, 2009) ("Implementation Order").

4. By Order entered August 18, 2009, the Commission approved a Joint Petition for Partial Settlement of the portion of PECO's EE&C Plan related to the deployment of compact fluorescent lamps ("CFLs").

5. By Order entered October 28, 2009, the Commission granted, in part, and denied, in part, PECO's Petition for Approval of its EE&C Plan, directing that PECO file a revised EE&C Plan with the Commission within sixty days of the Order. PECO filed its revised EE&C Plan on December 23, 2009.

6. By Order entered February 17, 2010, the Commission approved PECO's revised EE&C Plan.

7. On September 15, 2010, PECO filed an annual report and proposed changes to its approved EE&C Plan. The Company proposes to modify the approved EE&C Plan to reflect additional experience the Company has obtained since approval of that Plan. Of particular concern to the OSBA, the Company is proposing 23 new measures for its commercial/industrial/governmental/non-profit customers.

### **III. RESPONSE TO PROPOSED CHANGES**

8. The OSBA requested that its witness in the proceeding involving PECO's originally filed EE&C Plan, Mr. Robert D. Knecht, review PECO's proposed changes to its EE&C Plan. Mr. Knecht has identified deficiencies in, and questions about, the proposed changes to the Company's EE&C Plan which should be addressed through discovery, testimony, hearings, and briefs.

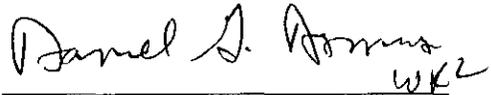
9. PECO proposes to add a whole assortment of program measures (23 in total) available to commercial/industrial/government customers, detailed at pp. 116-117 of the blackline plan and pp. 10-11 of the Executive Summary. However, PECO has provided no benefit/cost ratio information for any of these program measures. Furthermore, the incentive payments associated with these measures appear to be on the order of 20 to 50% of cost.

10. The OSBA objects to the fact that PECO has failed to provide a benefit/cost analysis for the aforementioned changes. In the absence of such analysis, the impact of the proposed program measures on small commercial and industrial (“Small C&I”) customers is not quantifiable. Furthermore, PECO has not demonstrated that the proposed additional program measures are the best alternatives. Therefore, as proposed by PECO, the changes to the EE&C Plan may require Small C&I customers to pay for conservation program measures that are not cost-effective. To remedy the problem created by the deficiencies in PECO’s filing, the Commission should thoroughly analyze these 23 additional program measures, and compare them to other alternatives, prior to approving any of the 23.

**IV. CONCLUSION**

For the reasons set forth above, the OSBA respectfully requests that the Commission refer PECO's proposed changes to its EE&C Plan to the Office of Administrative Law Judge for hearings and a Recommended Decision.

Respectfully submitted,



Daniel G. Asmus  
Assistant Small Business Advocate  
Attorney ID No. 83789

For:

William R. Lloyd, Jr.  
Small Business Advocate  
Attorney ID No. 16452

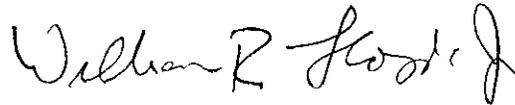
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Dated: October 5, 2010

**VERIFICATION**

I, William R. Lloyd, Jr., hereby state that the facts set forth herein above are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. §4904 (relating to unsworn falsification to authorities).

Date: October 5, 2010



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(Signature)

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of PECO Energy Company for Approval :  
of its Act 129 Energy Efficiency and Conservation : Docket No. M-2009-2093215  
Plan and Expedited Approval of Its Compact :  
Fluorescent Lamp Program :

**CERTIFICATE OF SERVICE**

I certify that I am serving two copies of the Answer, on behalf of the Office of Small Business Advocate, by e-mail and first class mail (unless otherwise noted) upon the persons addressed below:

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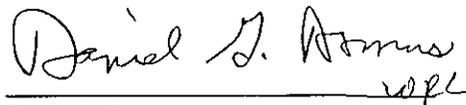
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