

October 15, 2010

400 North Street

Harrisburg, PA 17120

VIA EXPRESS MAIL

Rosemary Chiavetta, Secretary

Pennsylvania Public Utility Commission Commonwealth Keystone Building

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU UGI Utilities, Inc. 460 North Gulph Road King of Prussia, PA 19406

Post Office Box 858 Valley Forge, PA 19482-0858

(610) 337-1000 Telephone (610) 992-3258 Fax

Re: Petition of PPL Electric Utilities Corporation for Approval of Changes to its Act 129 Energy Efficiency and Conservation Plan, Docket No. M-2009-2093216

Dear Secretary Chiavetta:

Enclosed for filing, please find an original and three copies of the Recommendations for Plan Improvement of the UGI Distribution Companies.

This document is being filed in accordance with the procedures set forth in the Commission's June 24, 2010 Secretarial letter at Docket No. M-2008-2069887.

Copies of this document have been served upon the persons indicated on the attached Certificate of Service.

Should you have any questions concerning this filing, please feel free to contact me.

Very truly yours,

Mark C. Morrow

Counsel for the UGI Distribution Companies

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

PETITION OF PPL ELECTRIC : UTILITIES CORPORATION FOR : APPROVAL OF CHANGES TO ITS :

ACT 129 ENERGY EFFICIENCY

AND CONSERVATION PLAN

Docket No. M-2009-2093216

RECOMMENDATIONS FOR PLAN IMPROVEMENTS OF THE UGI DISTRIBUTION COMPANIES

The UGI Distribution Companies ("UGI"), comprised for the purposes of this filing of UGI Utilities, Inc. – Gas Division, UGI Penn Natural Gas, Inc. and UGI Central Penn Gas, Inc., in accordance with the procedural schedule set forth in the Commission's June 24, 2010 Secretarial Letter at Docket No. M-2008-2069887, hereby submit the following recommendations for plan improvements with respect to the above-captioned filing of PPL Electric Utilities Corporation ("PPL"), and in support there of state the following:

1. The UGI Distribution Companies participated in PPL's Act 129 filing at Docket No. M-2009-2093216, proposing that PPL (1) adopt a number of fuel substitution programs in lieu of or as supplements to measures designed to encourage the installation of higher efficiency electric appliances or equipment to more cost-effectively meet its Act 129 goals or alternatively (2) track the Act 129 program measure recipients who switch from gas appliances to electric appliances so that the Commission and other interested parties could assess the potential unintended reductions in energy efficiency potentially resulting from PPL's Act 129 program.

- 2. In an Opinion and Order entered on October 26, 2009 (the "PPL Act 129 Order"), the Commission, amongst other things, (1) refused to require PPL to adopt UGI's proposed fuel substitution programs, deeming the proposals as being premature, and referred the issue of fuel substitution to a working group, but (2) adopted UGI's recommendation that gas to electric conversion be tracked, stating in ordering paragraph 33:
 - 33. That UGI's request to require Electric Distribution Companies to report the frequency of customers switching to electric appliances from gas appliances is granted.
- 3. In an Implementation Order at *Energy Efficiency and Conservation Program*,
 Docket No. M-2008-2069887 (Order entered January 16, 2009), the Commission
 established standards and procedures for submittal, review and approval of Electric
 Distribution Company ("EDC") Energy Efficiency and Conservation ("EE&C") plans,
 and recognized that Act 129 requires EDCs to submit annual reports documenting the
 effectiveness of their EE&C plans, the measurement and verification of energy savings,
 the evaluation of the cost-effectiveness of expenditures and any other information
 required by the Commission. *Id.* at 13-14.
- 4. In a June 24, 2010 Secretarial Letter at Docket No. M-2008-2069887 ("Secretarial Letter"), the Commission informed EDC's they should file their annual Act 129 reports and any EE&C plan revisions by September 15 of each year.
- 5. The secretarial Letter further provided that "[a]ny interested party can make a recommendation for plan improvements or object to proposed EE&C plan revisions

within 30 days of the filing of the annual reports and proposed EE&C plan revision filings."

- 6. On September 15, 2010 PPL filed a "Petition for Approval of Changes to its Act 129 Energy Efficiency and Conservation Plan" ("PPL Petition") along with black-lined proposed revisions to its EE&C plan.
- 7. The PPL Petition does not appear to contain "[d]ocumentation of program expenditures[,]" "[m]easurement and verification of energy savings under the plan[,]" "[e] valuation of the cost-effectiveness of expenditures[,]" or "other information required by the Commission" that is required for annual reports under 66 Pa.C.S. §2806.1(i)(1) and the Secretarial Letter, although UGI believes that certain of this information may have been presented in stakeholders meetings.
- 8. In particular, in neither the PPL Petition, not in any other publicly available document that UGI has been able to find after reasonable investigation, does it appear that PPL has complied or disclosed the information required under ordering paragraph 33 of the PPL Act 129 Order.
- 9. UGI believes that PPL's EE&C plan is deficient in that it does not include a requirement in to track PPL EE&C program measure recipients who convert from gas appliances to electric appliances.
- 10. Such data should be provided as soon as reasonably practicable for the current reporting period, and in future PPL Act 129 annual reports.

WHEREFORE, the UGI Distribution Companies respectfully request that the Commission direct PPL to (1) comply with ordering paragraph 33 of the PPL Act 129

Order for the current and future reporting periods and (2) amend its EE&C program to (a)

provide for the reporting of PPL Act 129 program measure recipients who converted from gas appliances or equipment to electric appliances and equipment, (b) explain how such information in tracked and verified and (c) explain how such information will be made publicly available to the Commission and interested third parties.

Respectfully submitted,

Mark C. Morrow (Attorney I.D. 33590)

macon.

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Dated: October 15, 2010

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VERIFICATION

Paul J. Szykman, deposes and says that he is Vice President - Rates for UGI Utilities, Inc, that he is duly authorized to and does make this Verification on behalf of the UGI Distribution Companies; that the facts set forth in the foregoing document are true and correct to the best of his knowledge information and belief; and that this verification is made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).

Paul J. Szykinań

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APPROVAL OF CHANGES TO ITS

ACT 129 ENERGY EFFICIENCY : Docket No. M-2009-2093216

AND CONSERVATION PLAN

CERTIFICATE OF SERVICE

I hereby certify that I have, this 15th day of October, 2010, served a true and correct copy of the foregoing document in the manner and upon the persons listed below in accordance with requirements of 52 Pa. Code §1.54 (relating to service by a participant):

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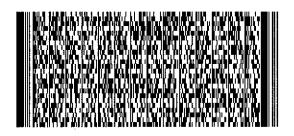
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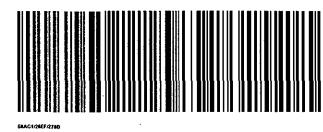
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