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| PUC logo | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

**PRESS RELEASE**

Date: Nov. 19, 2010

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**PUC to Weigh Comments on Updates to its Manual Used to Evaluate Energy Savings**

HARRISBURG – The Pennsylvania Public Utility Commission (PUC) today issued for comment proposed updates to its Technical Reference Manual (TRM), which is used to assess energy savings attributable to energy efficiency and demand response measures for the implementation of the state’s Alternative Energy Portfolio Standards Act (AEPS) and the energy efficiency and conservation provisions of Act 129 of 2008.

The Commission voted 5-0 to issue an updated TRM for comment.  The TRM sets the standards used to measure and verify applicable demand side management and energy efficiency measures used by the state’s electric distribution companies (EDCs).

Initially established in March 2005, the Commission said the TRM will be updated annually in order to keep pace and remain relevant and useful as experience and technology related to energy efficiency increases. In addition, energy efficiency and demand‑side management measures have become more prevalent and necessary, as evidenced by the recent enactment of Act 129 of 2008.

The proposed changes are designed to make the TRM a more effective and professional tool for validating energy savings and providing support for the Act 129 goals. The major goals of the proposed modifications are:

* To add additional measures that were not in the 2010 TRM to cover additional energy efficiency and conservation (EE&C) measures being implemented by the EDCs and to broaden the scope of the TRM;
* To appropriately balance the integrity and accuracy of claimed energy savings estimates with costs incurred to measure and verify the claimed energy savings;
* To clarify existing calculation methods;
* To minimize the number of EE&C measures that must be evaluated through custom protocols;
* To improve the functionality and scope of the TRM Appendix C (Lighting Inventory Tool) and Appendix D (Motor and Variable Frequency Drive Inventory Tool); and
* To provide additional reasonable methods for measurement and verification of incremental energy savings associated with EE&C measures without unduly burdening utility EE&C program and evaluation staff.

The Commission is open to other suggestions of changes or additions to the TRM not outlined in the proposal. Any proposal should include supporting reference material and data to substantiate any proposed stipulated values.

The deadline for filing comments is 20 days after the PUC Order is published in the *Pennsylvania Bulletin*.  The deadline for filing reply comments is 30 days after the PUC Order is published in the *Pennsylvania Bulletin*. Further instructions on how to file comments will be provided in Commission order.

AEPS specifically required the Commission to develop standards for tracking and verifying savings from energy efficiency and demand-side management measures.  Generally, AEPS requires that a certain percentage of all electric energy sold to retail customers be derived from alternative energy sources such as solar, wind, hydropower, geothermal, biomass, waste coal and demand side management resources. The law applies to both EDCs and electric generation suppliers (EGSs) which must demonstrate their compliance on an annual basis.

Act 129 expanded the PUC’s oversight responsibilities and imposed new energy efficiency and conservation requirements on EDCs with at least 100,000 customers. The overall goal is to reduce energy consumption and demand. The Commission is implementing the Act in phases which address EDC and default service provider responsibilities; smart meter technology; time-of-use rates; real-time pricing plans; default service procurement; market misconduct; alternative energy sources; and cost recovery.

The Pennsylvania Public Utility Commission balances the needs of consumers and utilities to ensure safe and reliable utility service at reasonable rates; protect the public interest; educate consumers to make independent and informed utility choices; further economic development; and foster new technologies and competitive markets in an environmentally sound manner.

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