

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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February 28, 2013

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

RE: Pennsylvania Electric Company's Request
for Expedited Approval of Proposed Minor
EE&C Plan Changes Pursuant to the June
10, 2011 Final Order in Docket No. M-
2008-2069887
Docket No. M-2009-2112952

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Comments in the above-referenced matter.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Candis A. Tunilo".

Candis A. Tunilo
Assistant Consumer Advocate
PA Attorney I.D. # 89891

Enclosure

cc: Certificate of Service
166465

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Electric Company's Request	:	
For Expedited Approval of Proposed Minor	:	Docket No. M-2009-2112952
Act 129 EE&C Plan Changes Pursuant to	:	
the June 10, 2011 Final Order in Docket	:	
No. M-2008-2069887	:	

COMMENTS OF THE
OFFICE OF CONSUMER ADVOCATE

I. INTRODUCTION

On February 13, 2013, Pennsylvania Electric Company (Penelec or the Company) filed its Request for Expedited Approval of Minor Act 129 EE&C Plan Changes Pursuant to the June 10, 2011 Final Order in Docket No. M-2008-2069887 (Request) with the Public Utility Commission (Commission). In its Request, Penelec seeks approval to move funds from the under-performing PJM Demand Response Program - Large into the Large Commercial/Industrial Equipment Program, which has been extremely popular and has an unmet need. Penelec Request at 4-5. Penelec also seeks to increase the budget for its Residential Energy Efficient HVAC Equipment Program, which is projected to exhaust its current budget by March 2013 and correspondingly decrease the budget of the Residential Behavioral Modification and Education Program, which is projected to be under budget. Penelec Request at 5-6.

The Company's Request was filed pursuant to the Commission's Final Order entered June 10, 2011, in Docket No. M-2008-2069887 (Final Order). In the Final Order, the Commission set forth a process for expedited approval of minor changes to approved Act 129

Energy Efficiency & Conservation (EE&C) Plans. Final Order at 18-20. In the Final Order, the Commission provided the following definition of “minor changes:”

1. The elimination of a measure that is underperforming, no longer viable for reasons of cost-effectiveness, savings or market penetration or has met its approved budgeted funding, participation level or amount of savings;
2. The transfer of funds from one measure or program to another measure or program within the same customer class; and
3. Adding a measure or changing the conditions of a measure, such as its eligibility requirements, technical description, rebate structure or amount, projected savings, estimated incremental costs, projected number of participants or other conditions so long as the change does not increase the overall costs to that customer class.

Final Order at 19-20.

The Final Order permits interested parties to file comments to proposed minor EE&C Plan changes within fifteen days and reply comments within ten days after comments are submitted. Final Order at 19. The OCA provides these Comments pursuant to the Final Order. The OCA submits that Penelec’s proposed minor EE&C Plan changes to the residential programs are within the definition of “minor changes” and meet the filing requirements in the Final Order. The OCA further submits that Penelec’s proposed minor changes to the residential programs appear reasonable and should be approved. The OCA takes no position on Penelec’s proposals for changes to its large commercial/industrial programs.

II. COMMENTS

In its Request regarding residential programs, Penelec seeks approval to increase the budget of the Residential Energy Efficient HVAC Equipment Program by \$179,900. Penelec Request at 5. The Company asserts that the Program is projected to exhaust its approved budget in March 2013, and with additional funds, the Program will exceed its May 31, 2013 energy savings target. Id. Penelec proposes that the Behavioral Modification and Education Program be

likewise reduced by \$179,900 in order to provide additional funds for shut down the Residential Energy Efficient HVAC Equipment Program. Id. at 6. According to the Company, the Behavioral Modification and Education Program is projected to be under budget in excess of \$179,900 on May 31, 2013. Id.

As stated in Penelec's Request, these budget changes will have no net effect on the Company's approved EE&C Plan or the residential rates in the EEC-C Rider. Id. at 5, 6. According to Penelec, the proposed budget changes will have a negligible impact on the cost-effectiveness of the Programs. Penelec Request at 6; Penelec Exh. B.

The OCA submits that Penelec's proposed residential program changes meet the definition in the Final Order because they seek to transfer funds from one program to another within the same customer class. See Final Order at 20. Transferring funds from underperforming programs to programs with nearly exhausted budgets is a more efficient use of the ratepayer funds that pay for the Act 129 EE&C Plan. As such, the OCA submits that Penelec's Request should be approved.

III. CONCLUSION

For the foregoing reasons, the OCA submits that Penelec's Request for Expedited Approval of Minor Act 129 EE&C Plan Changes concerning the residential programs should be approved.

Respectfully Submitted,



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DATE: February 28, 2013
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CERTIFICATE OF SERVICE

Pennsylvania Electric Company's Request : Docket No. M-2009-2112952
For Expedited Approval of Proposed Minor :
EE&C Plan Changes Pursuant to the June :
10, 2011 Final Order in Docket No. :
M-2008-2069887 :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Comments, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 28th day of February 2012.

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