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October 21, 2014

VIA EFILE

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

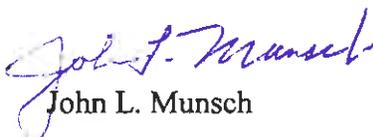
**Re: Implementation of the Alternative Energy Portfolio Standards Act of 2004:
Standards for the Participation of Demand Side Management Resources—
Technical Reference Manual 2015 Update;
Docket No. M-2012-2313373**

Dear Secretary Chiavetta:

Enclosed herewith for filing are the Reply Comments of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company in the above-captioned matter.

Please contact me if you have any questions regarding this matter.

Very truly yours,


John L. Munsch

JLM:jss

Enclosure

cc: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Implementation of the Alternative Energy :
Portfolio Standards Act of 2004: : Docket No. M-2012-2313373
Standards for the Participation of :
Demand Side Management Resources- :
Technical Reference Manual 2015 Update :**

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing Reply Comments upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by first class mail:

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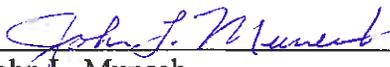
Secretary
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Service by electronic mail, as follows:

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Dated: October 21, 2014



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Implementation of the Alternative Energy :
Portfolio Standards Act of 2004: :
Standards for the Participation of : Docket No. M-2012-2313373
Demand Side Management Resources – :
Technical Reference Manual 2015 Update :**

**REPLY COMMENTS OF METROPOLITAN EDISON COMPANY,
PENNSYLVANIA ELECTRIC COMPANY, PENNSYLVANIA POWER
COMPANY AND WEST PENN POWER COMPANY TO
THE TENTATIVE ORDER REGARDING THE
2015 TECHNICAL REFERENCE MANUAL**

I. INTRODUCTION

On September 11, 2014, the Pennsylvania Public Utility Commission (“Commission”) entered a Tentative Order in the above-referenced matter seeking comments to the proposed updates to the 2015 Technical Reference Manual (“TRM”) to be applied to electric distribution companies’ (“EDCs”) Phase II Energy Efficiency and Conservation (“EE&C”) Plans from June 1, 2015, through May 31, 2016. The Commission directed that comments be submitted within thirty days of the entry date of the Tentative Order, and that reply comments be filed within forty days of the Tentative Order.

Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”), Pennsylvania Power Company (“Penn Power”) and West Penn Power Company (“West Penn”) (collectively, “the Companies”) respectfully submit the following reply comments related to the Commission’s Tentative Order.

II. REPLY COMMENTS

General:

The Companies endorse PPL Electric Utilities' recommendation that "future 'late-phase' updates to the TRM should be limited and should consider the potential impacts on currently operating EE&C Plans...to reduce the cost of implementing EE&C Plan programs, minimize customer and trade ally confusion, and improve continuity and momentum in the market." The Companies made a similar recommendation that changes be "reserved for administrative corrections or addition of measures."

In support of their suggestion the Companies recommend adding a discussion in Section 3.5.2 that addresses the EISA 2007 code relative to electronically commutated motors (ECMs) in walk-in coolers. During the course of the PY5 evaluation the Companies learned of a relatively unknown clause in the EISA 2007 regulation (Section 312 f.1.e) that effectively makes ECMs the baseline fan motor type for walk-in coolers for new construction and removes conversion of shaded pole to permanent split capacitor (PSC) motors as a viable measure in new construction applications. As a result Section 3.5.2 (High-Efficiency Evaporator Fan Motors for Reach-In Refrigerated Cases) may benefit from a discussion on baseline selection in new construction applications and eligibility in retrofit applications.

2.1.1 ENERGY STAR Lighting

The Companies generally support PECO Energy Company's recommendations but support the use of unified installation rates (ISRs) and Interactive effects (IEs) for LEDs and CFLs. Common variables for efficient lighting should be used, and should be renamed to be generic for residential lighting (e.g., ISR_{lg} and IE_{lg}). Consistent with Section 1.2.2 of the TRM, related to use of customer and program specific data, evaluation values can

always be used instead of the default values for open variables in the TRM and evaluators are free to assess LEDs separately from CFLs, as well as different delivery mechanisms. While ISRs may be different for LEDs and CFLs, or for direct install or other delivery mechanisms, there are no current studies vetted through the Program Evaluation Group (PEG) supporting different initial default values for adoption in the 2015 TRM.

In addition, use of any specific ISR should be supported by an “ISR growth curve” supporting long-term ISR default values (rather than a first-year ISR). Based on these premises, relative to ISRs, the Companies suggest the Commission approve continuing use of the same default ISR for upstream and other efficient lighting (both CFL and LED, and including giveaway or direct delivery) programs to determine energy savings, as both upstream and other programs will have initial ISRs that are considerably lower than 97 percent, and there is no supported convention for adapting first-year evaluation findings to a long-term equivalent. The Commission should also encourage use of evaluated results where applicable, and should refer this issue and question to the PEG for review and recommendations for a supported solution that includes an ISR growth curve in the 2016 TRM.

Similarly, PECO includes comments relative to interactive effects, in which PECO recommends updating Tables 2-5 and 2-6 with PECO-specific IE values. In reviewing this recommendation, an erroneous premise in the TRM became apparent. In the discussion of interactive effects factors the TRM provides: “Due to the differences between LED and CFL technologies, these bulb types have separate interactive effects values.” While “GDS Simulation Modeling” is referenced as a basis for the different interactive effect values associated with CFLs (Table 2-5 of the TRM) and LEDs (Table 2-6 of the TRM), the Companies do not believe REM/Rate modeling is sufficiently accurate to support use of

separate IE values for the minor differences in simulation results, referencing PECO's comment on page 10. The Companies recommend (a) that common variables for efficient lighting interactive energy and demand effects should be used in the algorithm, and should be renamed to be generic for residential lighting (e.g., IE_{lig}); and (b) that the Commission approve a single table listing default IE_{lig} for efficient lighting (both CFL and LED) for EDCs replacing Tables 2-5 and 2-6.

2.4.3 Refrigerator / Freezer Recycling with and without Replacement

The Companies agree with the comments filed by Duquesne Light Company,¹ PPL Electric Utilities,² and PECO Energy Company³ regarding the use of the DOE Uniform Methods Project (UMP) protocol for refrigerator recycling as was previously discussed and agreed to during the PEG meetings.

III. CONCLUSION

Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company appreciate the opportunity to provide reply comments on the Commission's Tentative Order regarding the 2015 Technical Reference Manual. The Companies look forward to working with the Commission and the other parties on this matter.

Respectfully submitted,

Dated: October 21, 2014



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¹ Comments of Duquesne Light Company, Docket Nos. M-2012-2313373, M-00051865, October 14, 2014, p. 11-12

² Comments of PPL Electric Utilities Corporation, Docket No. M-212-2313373, M-00051865, October 14, 2014, p. 9-11

³ Comments of PECO Energy Company, Docket Nos. M-2012-2313373, October 14, 2014, p. 17-18