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January 13, 2015

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

VIA ELECTRONIC FILING

**RE: Petition of Philadelphia Gas Works for Approval of Demand-Side Management
Plan for FY 2016-2020
and
Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2014-
2016, 52 PA. Code § 62.4 - Request for Waivers**

Docket No. P-2014-2459362

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Petition to Intervene of the Philadelphia Industrial and Commercial Gas Users Group ("PICGUG") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to this proceeding are being duly served.

Sincerely,

McNEES WALLACE & NURICK LLC

By 
Adeolu A. Bakare

Counsel to the Philadelphia Industrial and Commercial Gas Users Group

Enclosure

c: Chief Administrative Law Judge Charles E. Rainey, Jr. (via e-mail and First-Class Mail)
Certificate of Service

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

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Adeolu A. Bakare
Counsel to the Philadelphia Industrial and
Commercial Gas Users Group

Dated this 13th day of January, 2015, at Harrisburg, Pennsylvania

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Philadelphia Gas Works for :
Approval of Demand-Side Management :
Plan for FY 2016-2020 :
and : **Docket No. P-2014-2459362**
Philadelphia Gas Works Universal :
Service and Energy Conservation Plan :
for 2014-2016, 52 PA. Code § 62.4 - :
Request for Waivers :

**PETITION TO INTERVENE OF THE PHILADELPHIA INDUSTRIAL
AND COMMERCIAL GAS USERS GROUP**

TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to the provisions of 52 Pa. Code §§ 5.71-5.74, the Philadelphia Industrial and Commercial Gas Users Group ("PICGUG") hereby files this Petition to Intervene in the above-captioned proceeding. In support thereof, PICGUG states as follows:

1. Petitioner is the Philadelphia Industrial and Commercial Gas Users Group ("PICGUG"). The composition of PICGUG is attached hereto as Appendix A. PICGUG reserves the right to modify Appendix A throughout the course of this proceeding, as necessary.

2. The name and address of Petitioner's attorneys are:

Charis Mincavage (Pa. I.D. 82039)
Adeolu A. Bakare (Pa. I.D. 208541)
Elizabeth Trinkle (Pa. I.D. 313763)
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3. On December 23, 2015, Philadelphia Gas Works ("PGW" or "Company") submitted a Petition for Approval of Demand-Side Management Plan for FY 2016 – 2020 ("2016

DSM Plan") with the Pennsylvania Public Utility Commission ("PUC" or "Commission"). The Commission approved PGW's initial DSM Plan for FY 2011-2015 ("Initial DSM Plan") in July 2010, pursuant to the settlement of PGW's 2009 base rate filing at Docket Nos. P-2009-2097639 and R-2009-2139884. PGW has proposed the 2016 DSM Plan to continue certain programs from the Initial DSM Plan and add two new programs.

4. PGW's 2016 DSM Plan presents a proposed portfolio consisting of seven DSM programs, including the following five programs continued from the Initial DSM Plan:

- (1) CRP Home Comfort program (formerly referred to as ELIRP), providing weatherization treatments to the highest usage customers in PGW's Customer Assistance Program (CAP);
- (2) Residential Equipment Rebates program, providing prescriptive residential-sized hearing equipment rebates targeting;
- (3) Commercial Equipment Rebates program, providing prescriptive commercial-sized heating and cooking equipment rebates targeting replacement at the end of its operational life;
- (4) Efficient Building Grants program providing custom project grants for existing commercial and multifamily buildings; and
- (5) Efficient Construction Grants program, providing customer project grants for new and gut rehabilitated commercial and multifamily buildings, and single family homes.

Petition at 2. In addition to the five continued program, PGW also proposes to establish: (1) a Low-Income Multifamily Program to supplement the CRP Home Comfort program; and (2) an Efficient Fuel-Switching Program designed to promote cost-effective load management projects for commercial and industrial end-users currently utilizing other more expensive and less efficient fuels.

5. PGW anticipates total program expenditures of approximately \$25 million, including \$22.7 million for the conservation programs and \$2.3 million for the Efficient Fuel-

Switching Program. Petition, p. 4. PGW proposes to recover all 2016 DSM Plan costs through Efficiency Cost Recovery Surcharge ("ECRS") mechanism approved for the Initial DSM Plan.

7. Although proposing to continue the ECRS, PGW also proposes to implement two new cost recovery mechanisms. First, PGW proposes to modify the ECRS by employing a Conservation Adjustment Mechanism ("CAM") to recover lost margins due to sales reductions resulting from efficiency measures. Second, PGW proposes to establish performance incentives to incentivize efficient and cost effective results from the 2016 DSM Plan.

8. PICGUG is an *ad hoc* group of large volume natural gas customers receiving service from PGW under various rate schedules. PICGUG members use substantial volumes of natural gas in their businesses, and natural gas costs comprise a significant element of their respective costs of operation. PGW's 2016 DSM Plan, particularly with regard to the Efficient Fuel-Switching Program, CAM, and performance incentives, may affect the Company's provision of natural gas service, including the rates, terms, and conditions under which PICGUG members receive such service. As a result, any PUC determination or collaborative process regarding PGW's DSM Plan may impact PICGUG member interests.

9. Therefore, consistent with 52 Pa. Code § 5.72(a), PICGUG has a significant interest in this proceeding that is not represented by any other party of record.¹ *See* 52 Pa. Code § 5.72. Additionally, while PICGUG acknowledges that PGW requested a deadline of January 12, 2015 for intervention, the Commission has not issued an Order or Notice granting the request. Without such a request being granted, and in light of the fact that the PUC has not taken

¹ On January 12, 2015, the Bureau of Investigation and Enforcement ("I&E"), the Office of Consumer Advocate ("OCA"), and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA") filed individual Answers to PGW's 2016 DSM Petition. The Tenant Union Representative Network ("TURN") also filed a Petition to Intervene on January 12, 2015.

any procedural action on PGW's Petition to date, PICGUG's Petition to Intervene is timely.² Therefore, approval of the Petition is appropriate pursuant to 52 Pa. Code §§ 5.74, 5.53. Accordingly, the Commission should grant PICGUG intervenor status in this proceeding.

WHEREFORE, the Philadelphia Industrial and Commercial Gas Users Group respectfully requests that the Commission grant this Petition to Intervene and provide PICGUG with full party status.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 
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Counsel to the Philadelphia Industrial and
Commercial Gas Users Group

Dated: January 13, 2015

² Further, PICGUG actively participated in both the underlying 2009 rate proceeding culminating in the settlement authorizing PGW's Initial DSM and the subsequent proceeding through which the Commission approved the Initial DSM.

APPENDIX "A"

PHILADELPHIA INDUSTRIAL AND COMMERCIAL GAS USERS GROUP

Aria Health

Building Owners & Managers Association of Philadelphia

Einstein Healthcare Network

Magee Rehabilitation Hospital

Thomas Jefferson University

Philadelphia College of Osteopathic Medicine

