



August 10, 2015

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

Re: Implementation of Act 129 of 2008 – Phase III Energy Efficiency and Conservation Plan Template, Docket No. M-2014-2424864

Comments of the Energy Association of Pennsylvania to the Proposed Phase III Plan Template

Dear Secretary Chiavetta:

On July 21, 2015, the Pennsylvania Public Utility Commission (“Commission”) issued a Secretarial Letter seeking comments on the proposed Phase III Energy Efficiency and Conservation Plan (“EE&C”) filing template for plans directed to be filed by November 30, 2015. The Energy Association of Pennsylvania (“EAP”) files this comment to the proposed template on behalf of its electric distribution company (“EDC”) members subject to the EE&C mandates of Act 129 of 2008.

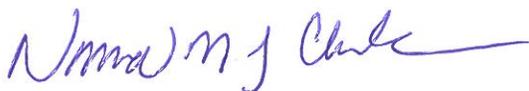
The Program Descriptions section of the template at paragraph 3.2 provides that descriptions of demand response programs must include the “costs to acquire MWs from customers who participate in the PJM’s Emergency Load Response Program (ELRP) and those that do not participate in PJM’s ELRP.” Footnote 8 notes that the Commission’s June 11, 2015 Phase III Final Implementation Order required the EDCs to demonstrate in their respective EE&C plans that the “costs to acquire MWs from customers who participate in PJM’s ELRP is no more than half the cost to acquire MWs from customers in the same rate class that are not participating in PJM’s ELRP.”

On July 6, 2015, EAP filed a Petition for Clarification of the Final Act 129 Phase III Implementation Order, asking, *inter alia*, the Commission to replace the phrase “the cost to acquire MWs from customers” found in two places on page 44 of the Order with the phrase “the incentive cost per kW for customers” so as to more specifically reflect the monetary value of the

incentive which is paid for the dual enrolled customers. See Petition at paragraphs 11 and 12. EAP understands that the Commission sought to limit the incentive payment for those customers who participate in both Act 129 Phase III demand response programs and the PJM ELRP. In the Final Act 129 Phase III Implementation Order, the Commission imposed “a 50% discount on the Act 129 incentive for dual enrolled accounts in Act 129 and PJM ELRP” and provided that “customers who do not dual enroll are still fully entitled to receive 100% of the Act 129 incentives designed by the EDCs.” Final Order at p. 43. EAP sought clarification because language in the Final Act 129 Phase III Implementation Order at p.44 uses “cost to acquire” interchangeably with the concept of “incentive cost”. EAP notes its basis for seeking clarification was that the cost to acquire MWs from customers in the context of the Act 129 demand response programs will include expenses beyond the incentive payment made to the customer.

EAP requests that the Commission similarly modify language in the proposed Phase III EE&C Plan filing template in paragraph 3.2 of the Program Descriptions and in footnote 8 depending on the outcome of its Petition for Clarification of the Final Act 129 Phase III Implementation Order.

Respectfully submitted,



Donna M.J. Clark
Vice President and General Counsel

cc: Kriss Brown, Assistant Counsel
Charles Covage, Bureau of Technical Utility Services