



January 4, 2016

Via E-Filing

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: CAUSE-PA's Letter in Lieu of Comments to the Petition of PECO Energy Company's Phase III Energy Efficiency and Conservation Plan.

Docket No.: M-2015-2515691 (PECO)

Dear Secretary Chiavetta:

On December 12, 2015, the Pennsylvania Bulletin, [45 Pa.B. 7078] published notice of PECO Energy Company's ("PECO") Petition for Approval of their Phase III EE&C Plans, which was filed with the Pennsylvania Public Utility Commission ("Commission") on November 30, 2015, and docketed at the captioned docket number. That notice provided a period of 20 days for parties to submit comments to the proposed plans.

PECO's Petition and Plan have been referred to the Office of Administrative Law Judge and assigned to Administrative Law Judges Angela T. Jones and Darlene Heep for hearings and certification of the record to the Commission for a decision. On December 17, 2015, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) filed a Petition to Intervene.

On December 23, 2015, the ALJs issued a prehearing order scheduling a telephonic prehearing conference for Tuesday, January 12, 2016, at which time a litigation schedule,

including a schedule for the exchange of evidence and testimony, is expected to be established. The same prehearing order required that a prehearing memorandum be filed by January 8, 2016. CAUSE-PA will file its prehearing memorandum by the deadline, and intends to fully participate in the evidentiary proceeding through the filing of testimony and participation in settlement discussions. As such, rather than detail the issues at length here, CAUSE-PA submits this brief letter in lieu of more formal comments.

In its Final Implementation Order issued June 18, 2015, the Commission declared the following with regard to the low-income offerings of each of the EDCs:

The Commission . . . will retain the 5.5% low-income savings target for the EDCs with the following modification. Savings counted towards the 5.5% target **may only come from specific low-income programs or low-income verified participants in multifamily housing programs.** Savings from non-low-income programs will not be counted for compliance.

The Commission believes that low-income savings should primarily come from measures that are directly provided to low-income households. Thus far in Phase II, a substantial portion of the low-income savings is coming from the contribution of low-income customers who are identified during random surveys as participants in upstream lighting programs. While the low-income savings are verified by a SWE-approved evaluation method, there are shortcomings in this method. Random customers are asked a series of questions that allow them to self-identify their income levels and number of household occupants, but there is no further verification of their low-income status. It was the Commission's intent to allow savings to be counted from the upstream lighting programs because it was reasonable to believe that there would be some low-income customers who would participate. It was not, however, the Commission's intent to have that program be the primary contributor in meeting the low-income carve-out.

Energy and Conservation Program, Docket No. M-2014-242864, Implementation Order (June 18, 2015), at 69-70 (emphasis added).

Through its testimony, CAUSE-PA will address whether the PECO's proposed Phase III Plan appropriately meets the standards set by the Commission as well as the statutory requirements contained in Act 129. Specifically, CAUSE-PA will address the following:

- Whether PECO's proposed programs and identified measures within those programs satisfy the requirements of Act 129 and Commission Orders.
- Whether projected savings come from specific low-income programs or low-income verified participants in multifamily housing programs, and whether the Companies' multi-family housing programs are sufficiently designed to reach and impact low income households regardless of whether they reside in multifamily buildings that are individually-metered/tenant paid or master-metered/owner-paid.

- Whether PECO's Plan properly focuses on direct-install measures for low-income customers as required by the Commission's Implementation Order.
- Whether PECO's Plan provides for measures that have provide long-lasting savings that will positively impact the high energy burden borne by low-income customers.
- Whether the delivery of measures to low-income households is appropriately coordinated with other low income bill assistance and energy efficiency and conservation programming operating within PECO's service territory.
- Whether the delivery of plan measures is appropriately coordinated between Conservation Service Providers (CSPs) serving low-income populations.

In addition to these specific issues, CAUSE-PA reserves the right to raise additional issues that may arise as more data and information becomes available throughout the course of this proceeding.

Because the notice filed in the Pennsylvania Bulletin requires the filing of comments or responsive pleadings within 20 days of its publication, CAUSE-PA is filing this Letter in Lieu of Comments to inform the Commission of its intent to fully participate in the captioned proceeding through the filing of testimony and briefing. CAUSE-PA will not be filing more specific comments separately from the testimony of its witness.

Respectfully submitted,
PENNSYLVANIA UTILITY LAW PROJECT
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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PECO Energy Company :
for Approval of an Energy Efficiency and : Docket No.: M-2015-2515691
Conservation Plan :

CERTIFICATE OF SERVICE

I hereby certify that I have this day, January 4, 2016, served copies of the **CAUSE-PA's letter in lieu of comments**, as set forth below in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA EMAIL and/or FIRST CLASS MAIL

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