

January 8, 2016

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

**Re: Petition of PPL Electric Utilities Corporation for Approval of its Act 129
Phase 111 Energy Efficiency and Conservation Plan;
Docket No: M-2015-2515642**

Dear Secretary Chiavetta:

Please find attached for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the **Pre-Hearing Memorandum of EnerNOC**, in the above-referenced matter.

This document was filed electronically with the Commission on this date. All parties are being served a copy of this document in accordance with the enclosed Certificate of Service.

Please contact our office if you have any questions concerning this filing.

Sincerely,

TUCKER ARENSBERG, PC

By: 
Kevin L. Hall, Esquire

KLH/sed

Enclosure

cc: Administrative Law Judge Susan D. Colwell (via E-mail and First Class Mail)
Certificate of Service

HBGDB:155106-1 030489-169654

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PPL Electric Utilities
Corporation For Approval of its Act 129
Phase III Energy Efficiency and
Conservation Plan**

DOCKET NO. M-2015-2515642

**PREHEARING MEMORANDUM
OF
ENERNOC, INC.**

**KEVIN L. HALL, ESQUIRE
SCOTT H. DEBROFF, ESQUIRE
TUCKER ARENSBERG, PC
2 LEMOYNE DRIVE, SUITE 200
LEMOYNE, PA 17043**

**1500 ONE PPG PLACE
PITTSBURGH, PA 15222**

**TEL: (717) 234-4121
FAX: (717) 232-6802
EMAIL: KHALL@TUCKERLAW.COM
EMAIL: SDEBROFF@TUCKERLAW.COM**

DATED: JANUARY 8, 2016

COUNSEL FOR ENERNOC, INC.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of PPL Electric Utilities
Corporation For Approval of its Act 129
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OF
ENERNOC, INC.**

TO ADMINISTRATIVE LAW JUDGE SUSAN COLWELL:

AND NOW COMES **Kevin L. Hall, Esquire, and Scott H. DeBroff, Esquire** of **Tucker Arensberg, PC**, on behalf of their client **EnerNOC, Inc.** (“EnerNOC”), and respectfully submits the following Prehearing Memorandum in the above-captioned Energy Efficiency and Conservation Plan filing.

EnerNOC is a leading provider of cloud-based energy intelligence software (“EIS”) and services to thousands of enterprise customers and utilities globally. EnerNOC's EIS solutions for enterprise customers improve energy productivity by optimizing how they buy, how much they use, and when they use energy. EnerNOC's EIS solutions for utilities help maximize the value of

demand-side resources, including fully outsourced and utility-managed demand response and energy efficiency programs that drive customer engagement.

EnerNOC's technology-enabled demand side response and energy management solutions help both customers and grid operators optimize the balance of electric supply and demand. EnerNOC is a leading provider of third-party demand response ("DR") and energy efficiency ("EE") programs on behalf of public agencies and electric and gas utilities. EnerNOC is currently managing over 24 GW of load sourced from over 14,000 commercial and industrial sites across markets in North America, Asia, Europe, Australia, and New Zealand, offering much of this load into energy, capacity, and ancillary services markets of varied designs.

This case will impact the opportunities for EnerNOC and customers of PPL to participate through curtailment service providers, like EnerNOC, in Act 129 demand side programs. EnerNOC provides EE and DR programs for utilities and has customers in the PPL service territory. Therefore, EnerNOC has a direct interest in, and may be adversely affected by, the outcome of this case. The opportunities offered by PPL as part of PPL's Phase III Energy Efficiency and Conservation Plan should not provide competitive advantages or competitive disadvantages to any party.

EnerNOC has a direct interest in this proceeding. First, the nature and extent of EnerNOC's interest is to engage customers to encourage demand response and energy efficiency services to the commercial and industrial customers of PPL. This interest is different from that of any other party and especially different from that of the utility.

Second, EnerNOC's legal position relates to how cloud based energy management solutions should be provided to Pennsylvania customers. Pennsylvania customers should be allowed to participate in any programs offered in Pennsylvania and there should be no additional

financial incentive for customers to participate in PPL's programs over others. This position is directly related to the Phase III Plan, pending before the Commission.

Third, EnerNOC's intervention will not unduly prolong or delay the proceedings. EnerNOC's issues in this proceeding are narrow. In addition, EnerNOC has extensive experience practicing before the state and federal commissions. This will allow for the efficient processing of the case.

Fourth, EnerNOC's intervention will contribute to the full development and equitable resolution of the factual issues, EnerNOC has and will develop information that this Commission should consider for equitably and lawfully reviewing the Petition and making determinations in the public interest.

The Prehearing Conference was held on **Tuesday, January 5, 2016 at 10:00 a.m.** in Hearing Room 3 in the Commonwealth Keystone Building in Harrisburg, Pennsylvania. EnerNOC will be represented by Kevin L. Hall, Esquire and Scott H. Debroff, Esquire in this proceeding. All correspondence regarding this case should be directed to Messrs. Hall and Debroff as follows:

<p>KEVIN L. HALL, ESQUIRE SCOTT H. DEBROFF, ESQUIRE</p> <p>TUCKER ARENSBERG, PC 2 LEMOYNE DRIVE, SUITE 200 LEMOYNE, PA 17043</p> <p>TEL: (717) 234-4121 FAX: (717) 232-6802 EMAIL: KHALL@TUCKERLAW.COM EMAIL: SDEBROFF@TUCKERLAW.COM</p>

I. INTRODUCTION

Act 129 of 2008 (“the Act” or “Act 129”) was signed into law on October 15, 2008, and became effective on November 14, 2008. Among other objectives, the Act created an Energy Efficiency & Conservation (“EE&C”) Program, codified in the Pennsylvania Public Utility Code at Sections 2806.1 and 2806.2, 66 Pa. C.S. §§ 2806.1 and 2806.2. This initial program required an Electric Distribution Company with at least 100,000 customers to adopt an EE&C Plan, approved by the Commission, to reduce electric consumption by at least one percent (1%) of its expected consumption for June 1, 2009 through May 31, 2010. By May 31, 2013, consumption was to be reduced by a minimum of three percent (3%). Also, by May 31, 2013, peak demand was to be reduced by a minimum of four-and-a-half percent (4.5%) of the EDC’s annual system peak demand in the 100 hours of highest demand, measured against the EDC’s peak demand during the period of June 1, 2007 through May 31, 2008. By November 30, 2013, and every five years thereafter, the Commission was to assess the cost-effectiveness of the EE&C Program and set additional incremental reductions in electric consumption if the EE&C Program’s benefits exceed its costs.

At its June 11, 2015 Public Meeting, the Commission adopted its Phase III Implementation Order. With its Phase III Final Implementation Order, the Commission adopted additional reductions in electricity consumption and peak demand for the period of June 1, 2016 through May 31, 2021. On November 30, 2015, the EDCs each filed their Phase III Implementation Plans with the Commission.

EnerNOC intends to participate in PPL’s Implementation Plan (“PPL Plan” or “Plan”) proceeding.

II. HEARING AND BRIEFING SCHEDULE

A substantial Hearing and Briefing Schedule has been established by the ALJ in this docket and EnerNOC will cooperate with other parties in the event of changes or modifications to this procedural schedule.

This case is being litigated at an extremely expedited basis. The date for the evidentiary hearing has been set for Friday, January 29, 2016 and will not be changed. The record in this case will be compiled and certified to the Commission's Office of Special Assistants for decision. The dates for this litigation will be as follows unless the parties agree upon an alternative but acceptable schedule:

Publication of Notice of Filing	December 12, 2015
Deadline for responses	January 4, 2016
Prehearing conference	January 5, 2016
Other Parties' Direct	January 12, 2016
Settlement Discussion	January 14, 2016
Rebuttal Testimony	January 25, 2016
Evidentiary hearing	January 29, 2016
Briefs due	February 16, 2016
Deadline for revised plan (if any)	February 18, 2016
Certification of record	February 19, 2016
Public meeting	March 10 or 24, 2016

III. ISSUES

The following list represents EnerNOC's present determination of the potential major issues in this case. The listing is as complete as can be made by EnerNOC at this time. EnerNOC specifically reserves the right to address other issues as it deems appropriate when any such relevant issues arise. EnerNOC intends to detail several best practices and provide testimony in support of the following issues/areas:

1. EnerNOC fully support the efforts of the Company in attempting to meet energy efficiency and demand response goals.

2. A greater emphasis should be focused by the Company to incorporate EE measures into their plan that will encourage the use of smart meter data and software solutions and maximizing the investments already and to be made in smart meters. These efforts should be supported and reinforced by an appropriate incentive structure to ensure success for the Company and its customers EE measures. Reference is made to the Pennsylvania Public Utility Commissions' public fact sheet on Act 129 and the use of smart metering technology.

3. Phase III plans will be in place until 2021. Without an emphasis on energy efficiency measures in Phase III, the Company's plan will be noticeably behind on the development of energy efficiency measures that maximize the value of smart meters for which customers are already paying. Advanced energy technologies engaging customers in Phase III will help prevent barriers to the success of the investments in energy efficiency measures.

4. The PUC should encourage higher levels of customer engagement moving forward, including appropriate metrics to ensure that customers are being best served. The Company should receive proper incentives for demonstrating superior performance in achieving these metrics.

5. Programs and technology to achieve these customer engagement goals should be encouraged by the PUC.

6. EnerNOC has particular experience engaging small and medium commercial customers through its EIS. Advanced energy technologies which are specifically designed for the diverse needs of smaller businesses can overcome the traditional challenges in delivering low-cost, wide-scale efficiency services to this customer class, EnerNOC recommends that additional

offerings be deployed to these customers, especially those which build upon the State's smart metering investments to ensure there are no barriers to the successful implementation of the Company's EE measures in Phase III.

IV. WITNESSES

EnerNOC has examined the utility's filings and supporting testimony and has determined that there are potential issues that would be worthy of further discussion. It is currently expected that we may call our following expert witness from EnerNOC without being limited thereto:

1.

**Peter Cavan
Regulatory Strategy Manager
EnerNOC, Inc.
One Marina Park Drive, Suite 400
Boston, MA 02110**

V. CONCLUSION

EnerNOC reserves the right to call additional witnesses or delete witnesses listed above. The above listing is provided without the benefit of complete discovery, or analysis of the positions of all parties to this proceeding. EnerNOC may prepare direct comments and the potential exists for additional live direct testimony that may be submitted by EnerNOC during these proceedings.

In addition to the direct testimony and the exhibits presented by EnerNOC's witnesses and the evidence adduced through cross-examination of the Company and other parties, EnerNOC intends to rely upon the Company's filing, answers to data requests and interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, general financial market information sources and other public documents and reports.

Respectfully submitted,

Dated: **January 8, 2016**

By:



KEVIN L. HALL, ESQUIRE
SCOTT H. DEBROFF, ESQUIRE

TUCKER ARENSBERG, PC
2 LEMOYNE DRIVE, SUITE 200
LEMOYNE, PA 17043

1500 ONE PPG PLACE
PITTSBURGH, PA 15222
TEL: (717) 234-4121
FAX: (717) 232-6802
EMAIL: KHALL@TUCKERLAW.COM
EMAIL: SDEBROFF@TUCKERLAW.COM

COUNSEL FOR EnerNOC, INC.

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DOCKET NO. M-2015-251642

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the Pre-Hearing Memorandum to Intervene upon the following parties to this proceeding in accordance with the requirements of 52 Pa. Code

§ 1.54 (relating to service by participant).

VIA E-MAIL & FIRST-CLASS MAIL

Paul E Russell Esquire
Kimberly A Klock Esquire
PPL Electric Utilities Corporation
2 North Ninth Street
Allentown Pa 18101
610-774-4254
perussell@pplweb.com

Devin T Ryan Esquire
Post & Schell Pc
17 North 2nd Street
12th Floor
Harrisburg Pa 17101-1601
717-612-6052
dryan@postschell.com

David B Macgregor Esquire
Post & Schell Pc
Four Penn Center
1600 John F Kennedy Boulevard
Philadelphia Pa 19103-2808
215-587-1197
Accepts e-Service

Amy E Hirakis Esquire
Office Of Consumer Advocate
5th Floor Forum Place
555 Walnut Street
Harrisburg Pa 17101
717-783-5048
ahirakis@paoca.org

Amy E. Hirakis, Esquire
Darryl Lawrence, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Judith D Cassel Esquire
Hawke Mckee And Sniscak Llp
100 N Tenth St
Harrisburg Pa 17101
717-236-1300
(Sustainable Energy Fund Of Central East Pa)
jdcassel@hmslegal.com

Elizabeth Rose Triscari Esquire
Office Of Small Business Advocate
300 North Second Street Suite 202
Harrisburg Pa 17101
717-783-2525
etriscari@pa.gov

Johnnie Simms Esquire
Pa PUC Office of Investigation & Enforcement
PO Box 3265
Harrisburg Pa 17105-3265
josimms@pa.gov

Joseph L Vullo Esquire
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort Pa 18704
570-288-6441
(For Commission On Economic Opportunity)
jlvullo@bvrrlaw.com

Derrick Price Williamson Esquire
Barry A Naum Esquire
Spilman Thomas & Battle PLLC
1100 Bent Creek Boulevard Suite 101
Mechanicsburg Pa 17050
717-795-2740
(For Wal-Mart Stores East LP & Sam's
East Inc) Accepts e-Service

Daniel Clearfield, Esquire
Deanne M. O'Dell, Esquire
Sarah C. Stoner, Esquire
Eckert Seamans Cherin & Mellot, LLC
213 Market Street, 8th Floor
P. O. Box 1248
Harrisburg, PA 17101
Retail Energy Supply Association

Julia A Conover Esquire
Christopher M Arfaa Esquire
Hawke Mckee And Sniscak LLP
100 N Tenth Street
Harrisburg Pa 17101
717-236-1300
(For UGI Distribution Companies)
jaconover@hslegal.com
cmarfaa@hmslegal.com

Patrick Cicero Esquire
Harry S Geller Esquire
Elizabeth R Marx Esquire
Pa Utility Law Project
118 Locust Street
Harrisburg Pa 17101
717-236-9486
(For Cause-Pa) Accepts e-Service

Pamela C Polacek Esquire
Adeoule A Bakare Esquire
Mcneese Wallace & Nurick
100 Pine Street, PO Box 1166
Harrisburg Pa 17108-1166
717-237-5368
(For Pplica)
Ppolacek@Nwm.Com
Abakare@Nwm.Com

Carl Shultz Esquire
Eckert Seamans Cherin & Mellott
213 Market Street 8th Floor
Harrisburg Pa 17101
717-255-3742 - (Comverge Inc)
cshultz@eckertseamans.com

Scott H. DeBroff, Esquire
Tucker Arensberg, P.C.
2 Lemoyne Drive, Suite 200
Lemoyne, PA 17043
717-234-4121
sdebroff@tuckerlaw.com
Counsel for Nest Labs, Inc.

Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
Office of Small Business Advocate

Roger D. Colton
Fisher, Sheehan and Colton
34 Warwick Road
Belmont, MA 02478
Office of Consumer Advocate

Christina Mudd
Stacey Sherwood
Exeter Associates, Inc.
10480 Little Patuxent Parkway
Columbia, MD 21044
Office of Consumer Advocate
Elizabeth R. Marx, Esquire
Patrick M. Cicero, Esquire
Joline Price, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17102
CAUSE PA

Mitchell Miller
Mitch Miller Consulting LLC
60 Geisel Road
Harrisburg, PA 17112
CAUSE-PA

Respectfully Submitted,

TUCKER ARENSBERG, PC



Kevin L. Hall, Esquire
(Pa. Bar No. 311826)
E-mail: khall@tuckerlaw.com
2 Lemoyne Drive, Suite 200
Lemoyne, PA 17043
Phone: (717) 234-4121
Fax: (717) 232-6802
E-mail: sdebroff@tuckerlaw.com

Dated: January 8, 2016