



17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
717-731-1970 Main
717-731-1985 Main Fax
www.postschell.com

Devin Ryan

dryan@postschell.com
717-612-6052 Direct
717-731-1985 Direct Fax
File #: 163427

February 16, 2016

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

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

Dear Secretary Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation is the Joint Petition for Approval of Partial Settlement in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'DR', is written over a horizontal line.

Devin Ryan

DTR/jl
Enclosures

cc: Honorable Susan D. Colwell
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL & FIRST CLASS MAIL

Elizabeth Rose Triscari, Esquire
Office of Small Business Advocate
Commerce Building
300 North Second Street, Suite 202
Harrisburg, PA 17101

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

Elizabeth R. Marx, Esquire
Patrick M. Cicero, Esquire
Joline Price, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17102
*Coalition for Affordable Utility Services and
Energy Efficiency in Pennsylvania*

Judith D. Cassel, Esquire
Micah R. Bucy, Esquire
Hawke McKeon & Sniscak LLP
Harrisburg Energy Center
100 North Tenth Street
PO Box 1778
Harrisburg, PA 17105-1778
*Sustainable Energy Fund
of Central Eastern Pennsylvania*

Derrick P. Williamson, Esquire
Barry A. Naum, Esquire
Spilman Thomas & Battle
1100 Bent Creek Boulevard, Suite 101
Mechanicsburg, PA 17050
*Wal-Mart Stores East, LP
and Sam's East, Inc.*

Joseph L. Vullo, Esquire
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, PA 18704
Commission on Economic Opportunity

Pamela C. Polacek, Esquire
Adeolu A. Bakare, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166
PP&L Industrial Customer Alliance

Scott H. DeBroff, Esquire
Tucker Arensberg, PC
2 Lemoyne Drive, Suite 200
Lemoyne, PA 17043
Nest Labs, Inc.

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

Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
OSBA

Christina Mudd
Stacey Sherwood
Exeter Associates, Inc.
10480 Little Patuxent Parkway
Columbia, MD 21044
OCA

Roger D. Colton
Fisher, Sheehan and Colton
34 Warwick Road
Belmont, MA 02478
OCA

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

Scott H. DeBroff, Esquire
Kevin Hall, Esquire
Tucker Arensberg, PC
2 Lemoyne Drive, Suite 200
Lemoyne, PA 17043
EnerNOC, Inc.

Date: February 16, 2016


Devin T. Ryan

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**JOINT PETITION FOR APPROVAL OF
PARTIAL SETTLEMENT**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

I. INTRODUCTION

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), PP&L Industrial Customer Alliance (“PPLICA”), Commission for Economic Opportunity (“CEO”), Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), Sustainable Energy Fund (“SEF”), Nest Labs, Inc. (“Nest”), and EnerNOC, Inc. (“EnerNOC”), all parties to the above-captioned proceeding (hereinafter, collectively the “Joint Petitioners”), hereby file this Joint Petition for Approval of Partial Settlement (“Settlement”) and respectfully request that the Pennsylvania Public Utility Commission (“Commission”) approve the proposals set forth in PPL Electric’s Phase III Energy Efficiency and Conservation Plan (“Phase III EE&C Plan” or “EE&C Plan”) subject to the terms and conditions of the Settlement.¹

This Settlement, with one exception, resolves all of the issues raised by all of the parties to the instant proceeding. In support of the Settlement, the Joint Petitioners state the following:

¹ The Retail Electric Supply Association (“RESA”) has advised that it is not taking a position on the Settlement. Wal-Mart Stores East and Sam’s East, Inc. (collectively, “Walmart”) has advised that it does not oppose the Settlement.

II. BACKGROUND

1. On November 30, 2015, PPL Electric filed the above-captioned Petition with the Commission. This filing was made pursuant to Act 129 of 2008 (“Act 129”), P.L. 1592, 66 Pa. C.S. §§ 2806.1 and 2806.2, the Commission’s Implementation Order entered on June 19, 2015,² and the Commission’s Clarification Order entered on August 20, 2015.³

2. In its Petition, PPL Electric requested Commission approval of PPL Electric’s Phase III EE&C Plan. The Phase III EE&C Plan includes a broad portfolio of energy efficiency and demand response programs, conservation practices, and energy education initiatives. These integrated programs are designed to meet the goals established by Sections 2806.1 and 2806.2 of Act 129 and the Commission’s *Implementation Order*.

3. On December 4, 2015, PPL Electric filed the written direct testimony of Peter Cleff, M. Hossein Haeri, and Bethany L. Johnson in support of its Phase III EE&C Plan.

4. On December 10, 2015, OCA filed a Notice of Intervention and Public Statement.

5. On December 11, 2015, PPL Electric filed corrections to two of the tables presented in its Phase III EE&C Plan.

6. On December 12, 2015, a notice of PPL Electric’s Phase III EE&C Plan filing was published in the *Pennsylvania Bulletin* providing that comments on the Phase III EE&C Plan were due by January 4, 2016.

7. On December 17, 2015, CAUSE-PA filed a Petition to Intervene.

² *Energy Efficiency and Conservation Program*, Docket No. M-2014-2424864 (Implementation Order Entered June 19, 2015) (“*Implementation Order*”).

³ *Energy Efficiency and Conservation Program*, Docket No. M-2014-2424864 (Clarification Order Entered Aug. 20, 2015) (“*Clarification Order*”).

8. Also on December 17, 2015, OSBA filed a Notice of Intervention, Public Statement, and Notice of Appearance.

9. On December 18, 2015, a Prehearing Conference Order was issued, which directed the parties to file prehearing conference memoranda on or before 12:00 PM on January 4, 2016.

10. On December 21, 2015, SEF filed a Petition to Intervene and a Notice of Appearance.

11. On December 22, 2015, CEO filed a Petition to Intervene.

12. On December 31, 2015, Walmart filed a Petition to Intervene.

13. On January 4, 2016, Nest filed a Petition to Intervene, RESA filed a Petition to Intervene, PPLICA filed a Petition to Intervene and Answer, and OSBA filed an Answer.

14. Also on January 4, 2016, the following entities submitted Comments on PPL Electric's Phase III EE&C Plan: (1) OCA; (2) Energy Efficiency for All; (3) PPLICA; (4) SEF; (5) Comverge, Inc.; (6) RESA; (7) EnergyHub; (8) Citizens for Pennsylvania's Future, the Natural Resources Defense Council, the Keystone Energy Efficiency Alliance, the Sierra Club, the Environmental Defense Fund, and Clean Air Council (collectively, "Joint Commentators"); and (9) Nest.

15. A prehearing conference was held as scheduled on January 5, 2016, before Administrative Law Judge Susan D. Colwell (the "ALJ"). A litigation schedule and modified discovery rules were agreed to by the parties and adopted in the Scheduling Order issued by the ALJ on January 7, 2016.

16. On January 8, 2016, EnerNOC filed a Petition to Intervene.

17. On January 11, 2016, PPL Electric filed an Answer in Opposition to EnerNOC's Petition to Intervene.

18. On January 12, 2016, EnerNOC filed a Reply to PPL Electric's Answer in Opposition to EnerNOC's Petition to Intervene.

19. Pursuant to the litigation schedule adopted in the Scheduling Order, the parties other than the Company served the following direct testimony on January 12, 2016: (1) the direct testimony of Stacy L. Sherwood (OCA Statement No. 1) and Roger D. Colton (OCA Statement No. 2); (2) the direct testimony of Mitchell Miller (CAUSE-PA Statement No. 1); (3) the direct testimony of Michael K. Messer (PPLICA Statement No. 1); (4) the direct testimony of Eugene M. Brady (CEO Statement No. 1); (5) the direct testimony of John Costlow (SEF Statement No. 1); (6) the direct testimony of Richard H. Counihan (Nest Statement No. 1); and (7) the direct testimony of Peter J. Cavan (EnerNOC Statement No. 1).

20. On January 22, 2016, OCA served an Errata to OCA Statement No. 1.

21. On January 25, 2016, PPL Electric served the rebuttal testimony of Peter Cleff (PPL Electric Statement No. 1-R) and M. Hossein Haeri (PPL Electric Statement No. 2-R). PPLICA also filed an updated Appendix A to its Petition to Intervene and Answer.

22. On January 26, 2016, PPL Electric filed a Motion to Strike Portions of PPLICA's Direct Testimony.

23. On January 28, 2016, PPLICA served an Errata to PPLICA Statement No. 1.

24. The active parties engaged in formal and informal discovery throughout the proceeding.

25. As a result of extensive settlement discussions, the active parties were able to reach a settlement in principle on January 28, 2016. The settlement in principle provides a

reasonable resolution of the issues and concerns raised by the active parties, except for the Total Resource Cost (“TRC”) Test issues raised by PPLICA that remain subject to PPL Electric’s Motion to Strike.

26. The active parties agreed to waive cross-examination of all witnesses.

27. An evidentiary hearing was held on January 29, 2016. At the evidentiary hearing, the active parties moved their respective testimonies and exhibits into the record. Further, PPL Electric withdrew its opposition to EnerNOC’s intervention. Finally, PPLICA’s TRC Test issues and proposals and the Company’s Motion to Strike PPLICA’s direct testimony on these issues were deferred for briefing.

28. As a result of the efforts described above, the active parties have agreed to a settlement that provides a reasonable resolution of the issues among them except the TRC Test issues raised by PPLICA that remain subject to the Company’s Motion to Strike. The Joint Petitioners are in full agreement that the Settlement is in the public interest as a reasonable resolution of their respective interests and should be approved. The Settlement agreed to by the Joint Petitioners is set forth in the following Section III.

III. SETTLEMENT

A. GENERAL

29. The following terms of this Settlement reflect a carefully balanced compromise of the interests of all of the active parties in this proceeding. The Joint Petitioners unanimously agree that the Settlement is in the public interest.

30. The Joint Petitioners agree that PPL Electric’s Phase III EE&C Plan should be approved, subject to the terms and conditions of this Settlement specified below:

B. RESIDENTIAL PROGRAMS

31. PPL Electric shall add approximately 1,500 comprehensive in-home diagnostic audits to its Energy Efficient Home Program. PPL Electric will design an appropriate rebate structure for the audits and will describe this structure to stakeholders before implementing the rebate. The rebate structure is likely to be based on a portion of the audit cost, but the Company will explore other structures, such as those tied to the estimated savings achieved by implementing recommendations from the audit. The Company will revise the EE&C Plan to list the incentive range for audit rebates. The Company will review alternate rebate structures with stakeholders before implementation.

32. PPL Electric confirms that it will provide more targeted messaging to customers as part of the Home Energy Education Program. If the savings for the Home Energy Education Program do not meet expectations, the Company may adjust the program, including the messaging sent to customers. At least once per program year, PPL Electric will review the general contents of the home energy reports with stakeholders. The Company agrees that it will listen to and consider comments from the stakeholders regarding the general content of these reports.

C. MULTIFAMILY BUILDINGS

33. PPL Electric shall establish a single point of contact for intake and routing coordination of multifamily building owners/operators.

34. PPL Electric shall encourage its program implementation Conservation Service Providers (“CSPs”) to provide outreach that encourages multifamily buildings to implement energy efficiency measures.

35. PPL Electric shall clarify that multifamily buildings’ eligibility requirements are not affected by the number of living units in the buildings. The Company shall further clarify

that non-low-income residents in master-metered multifamily buildings are eligible to participate in PPL Electric's residential programs, provided that they have landlord/owner approval. This is equivalent to the landlord of a master-metered multifamily building implementing eligible measures in a residential program, such as appliance recycling, heat pumps, heat pump water heater, LEDs, or appliances. PPL Electric will assign the costs to the customer sector corresponding to the rate schedule of the building.

36. To the extent practical, the Company agrees to coordinate with the Pennsylvania Housing Finance Agency ("PHFA") to align the eligibility of measures in Act 129 low-income multifamily buildings with PHFA's Qualified Allocation Plan and Energy Rebate Analysis. The Company will work with interested stakeholders in an effort to ensure that the funds provided through the Company's EE&C Plan are not substituted for funds otherwise provided through other assistance programs.

37. No later than December 1, 2016, PPL Electric will conduct a stakeholder meeting with interested multifamily housing owners, developers, and other interested stakeholders. PPL Electric will work with the Housing Alliance of Pennsylvania, other interested groups (to be identified in collaboration with CAUSE-PA), and the Company's CSPs to identify multifamily housing owners and developers to invite to the meeting. The purpose of the stakeholder meeting is to solicit feedback about the Company's multifamily offerings and to identify potential changes to the Company's programs related to multifamily housing.

D. LOW-INCOME PROGRAMS

38. PPL Electric shall leverage funding from its Low-Income Usage Reduction Program ("LIURP") Winter Relief Assistance Program ("WRAP") and Low-Income WRAP as the Company did in Phase II.

39. PPL Electric does not expect that it will jointly fund measures through LIURP WRAP and Low-Income WRAP.⁴ However, if measures are jointly funded by LIURP WRAP and Low-Income WRAP, PPL Electric shall allocate the actual costs and savings for these measures based upon the percentage of total costs paid by each funding source.

40. PPL Electric shall ensure that the process and level of coordination between LIURP and Low-Income WRAP in Phase III will be substantially the same as in Phases I and II, with the exception that the entity responsible for delivering the Phase III Low-Income WRAP may be different than in the prior Phases.

41. In addition to its current targeted outreach to OnTrack customers for participation in its Low-Income WRAP, the Company will work with its Low-Income CSP to create and target marketing and outreach for its Low-Income WRAP to confirmed low-income customers that are not enrolled in OnTrack. The Company will describe its Low-Income WRAP marketing efforts at its Act 129 stakeholder meetings and will allow stakeholders the opportunity to provide feedback and recommendations.

42. PPL Electric shall ensure that its Low-Income CSP meets with natural gas distribution companies (“NGDCs”) to identify and evaluate opportunities for coordination of low-income energy efficiency programs in Phase III. PPL Electric will present its coordination efforts to stakeholders at its Act 129 stakeholder meetings, and will allow stakeholders the opportunity to provide feedback and recommendations.

⁴ The Company must modify its tracking systems to accommodate joint funding of WRAP measures. This modification is not likely before 2017.

43. PPL Electric confirms that if a low-income home is eligible for “full cost measures,”⁵ the Company will install eligible “full cost measures” through its LIURP WRAP or Low-Income WRAP budget, provided that: (1) it receives landlord approval; (2) the customer has installed electric heat in at least 50% of the home; (3) the home did not previously receive “full cost” services from Low-Income WRAP in Phase II; (4) there are no health or safety concerns in the home that prevent the installation of “full cost” measures; and (5) the cost of the “full cost” measures can be accommodated within the LIURP WRAP or Low-Income WRAP budget.

44. PPL Electric shall clarify that individually metered low-income multifamily residences are eligible for the same measures as individually metered single family low-income residences under Low-Income WRAP.

45. PPL Electric shall clarify that individually metered manufactured homes are eligible for the same measures as any other type of individually metered home receiving services from Low-Income WRAP.

46. PPL Electric shall revise the program description for Low-Income WRAP in its EE&C Plan to provide the following: “In addition to the LEDs in tenant units of low-income residents in master-metered multifamily buildings, Low-Income WRAP will provide other eligible measures to these units under Low-Income WRAP (i.e., the same eligible measures as individually metered low income homes, as set forth in Table 38) subject to landlord approval, available program funds, within the overall program acquisition cost of Low-Income WRAP, and

⁵ In the context of this Settlement, “full cost” means energy efficiency measures related to homes with central electric heating and electric water heating. The Company may not use the terms “full cost job”, “low cost job” or “Baseload job” for Phase III Low-Income WRAP, though the Company nonetheless commits to continue tracking the number of completed full cost, low cost, and baseload jobs, consistent with its LIURP reporting requirements, for the purpose of comparing program results for its Low-Income WRAP with its LIURP WRAP.

subject to a limit on cumulative spending of \$2.5 million in direct costs during Phase III for Low-Income WRAP measures in the tenant units of low-income residents in master-metered multifamily buildings. If PPL Electric determines that it will need to spend more than \$2.5 million for such measures, it will meet with stakeholders and revise its EE&C Plan to update the estimated funding for these measures, subject to Commission approval.”

47. PPL Electric confirms that the Commission on Economic Opportunity will receive any requests for proposal from the Low-Income CSP for Phase III Low-Income WRAP services. The request for proposal will allow bidders to specify the geographic region(s) or county(s) they prefer to serve and will provide bidders the option of choosing the territory they have historically served as the only territory addressed in their bid. PPL Electric believes that a bidder’s experience in: (1) providing LIURP WRAP and Low-Income WRAP; (2) providing measures under the Department of Energy’s Weatherization Assistance Program; and (3) working with the Company’s low-income customers in their respective regions should be considered in the bid process.

48. As part of its Low-Income WRAP, PPL Electric shall offer smart thermostats to low-income customers at no cost to those customers. The smart thermostats will be an eligible measure for homes with central electric heat and subject to landlord approval, available program funds, and the overall program acquisition cost of Low-Income WRAP.

E. CUSTOM PROGRAM

49. PPL Electric shall remove the “average” modifier from the incentive ranges in the Custom Program.

50. PPL Electric shall strive to keep the Custom Program’s rebates and per-site caps as consistent as possible while recognizing the need to adjust incentives and caps to control the pace of the Company’s programs within their savings and cost budgets.

F. DEMAND RESPONSE PROGRAM

51. PPL Electric shall require its Demand Response CSP to comply with all applicable PJM Interconnection LLC (“PJM”) tariff rules, to the extent the CSP interacts with PJM as part of its Act 129 demand response responsibilities. Additionally, PPL Electric acknowledges that dual enrolled customers (Act 129 Demand Response participants who are also enrolled in PJM’s Demand Response program) may require coordination between the Act 129 Demand Response CSP and their PJM Curtailment Service Providers, if they are different entities.

52. PPL Electric confirms it will comply with the Commission’s rule to ensure the cost to acquire dual enrolled customers in the Demand Response Program is no more than 50% of the cost to acquire single enrolled customers. PPL Electric will track actual costs and provide documentation to the Commission (or Statewide Evaluator (“SWE”), if directed by the Commission) to confirm compliance. To the extent possible and if in the Company’s reasonable judgment the following information would not identify individual customers, PPL Electric will include in its Final Phase III Annual Report: (1) the aggregate number of customers dual enrolled in PPL Electric’s Act 129 Demand Response and PJM’s Demand Response Programs; (2) the aggregate number of customers only enrolled in PPL Electric’s Act 129 Demand Response Program; (3) the total amount of incentives paid to customers dual enrolled in PPL Electric’s Act 129 Demand Response and PJM’s Demand Response Programs; and (4) the total amount of incentives paid to customers only enrolled in PPL Electric’s Act 129 Demand Response Program.

G. TOTAL RESOURCE COST TEST

53. As agreed upon by the parties at the January 29, 2016 evidentiary hearing, PPLICA's TRC Test issues and proposals and the Company's Motion to Strike PPLICA's direct testimony on these issues are deferred for briefing.

54. As part of its compliance filing, PPL Electric shall correct any tables, numbers, or statements in the Phase III EE&C Plan affected by correcting the assumptions in the TRC calculations for the GNE Efficient Equipment, GNE Custom, Large C&I Custom, and Small C&I Custom Programs, as noted in the answer to OCA-I-1.

H. SMART AND PROGRAMMABLE THERMOSTATS

55. PPL Electric confirms that it will offer a rebate for smart thermostats in the range of \$50 to \$250 under the Energy Efficient Home Program.

56. PPL Electric confirms that smart thermostats are an eligible measure under the New Homes Component of the Energy Efficient Home Program. Smart thermostats are an eligible measure to achieve the HERs rating home, and smart thermostats with adaptive recovery technology are an eligible measure for an EnergyStar rated home.

57. During Program Year 8, PPL Electric will work with its Residential CSP or other contractors to evaluate a pilot for residential demand response using smart thermostats. The Company will review the recommendations of the evaluation with stakeholders in early Program Year 9. If the evaluation recommends implementing a pilot program for residential demand response using smart thermostats, the Company will submit, within a reasonable time, a description of the pilot program to the Commission and stakeholders prior to implementation in accordance with Section 9.1.5 of the Phase III EE&C Plan. If the pilot requires a change to the EE&C Plan, the Company will review the change with stakeholders and submit the change to the Commission with the next petition to modify the EE&C Plan. If the evaluation recommends not

implementing a pilot program for residential demand response using smart thermostats, the evaluation will provide the reasons for this recommendation to stakeholders.

58. PPL Electric will revise its EE&C Plan to add a pilot designed to provide programmable thermostats designed to control baseboard electric heaters of residential or low-income customers. PPL Electric will use commercially reasonable efforts to obtain 20 participants for the pilot, but the parties acknowledge that the program is voluntary and that PPL Electric cannot guarantee the actual number of participants. The Company will strive to start the pilot by June 2017, but the completion date is contingent on the design of the program, delivery channels for the thermostats, and participation by customers. The Company will publish the results of the pilot to stakeholders. This programmable thermostat pilot is not the same as the residential demand response pilot described in Paragraph 57 above.

I. ENERGY INTELLIGENCE SOFTWARE

59. The Company agrees to meet with EnerNOC in Program Year 8 to review its Energy Intelligence Software (“EIS”) product. The Company will decide in early Program Year 9 whether to pursue implementing EIS or similar products from other vendors. During Program Year 9, PPL Electric will work with its Nonresidential CSP or other contractors to evaluate an Energy Intelligence Software pilot for Small Commercial and Industrial (“Small C&I”) sector customers that includes a reasonable number of customers, and review the recommendations of the evaluation with stakeholders. If the evaluation recommends implementing a pilot program for Small C&I customers, the Company will include the pilot in a petition to modify the EE&C Plan, with the pilot program commencing no later than Program Year 10.

IV. THE SETTLEMENT IS IN THE PUBLIC INTEREST

60. Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense the parties must expend litigating a case and, at the same time,

conserve administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. *See id.* § 69.401. In order to accept a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. *Pa. PUC v. York Water Co.*, Docket No. R-00049165 (Order Entered Oct. 4, 2004); *Pa. PUC v. C.S. Water and Sewer Assocs.*, 74 Pa. P.U.C. 767 (1991).

61. This Settlement was achieved by the Joint Petitioners after an investigation of PPL Electric's Phase III EE&C Plan filing, including informal and formal discovery and the filing of testimony by the active parties.

62. Approval of the Settlement will lessen the time and expenses that the active parties and the Commission must expend on the proceedings.

63. The Joint Petitioners will further supplement the reasons that the Settlement is in the public interest in their Statements in Support, which are being separately filed. In their respective Statements in Support, each Joint Petitioner explains why, in its view, the Settlement is fair, just, and reasonable and reflects a reasonable compromise of the disputed issues in this proceeding.⁶

V. SETTLEMENT CONDITIONS

64. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained in this Settlement without modification. If the Commission modifies the Settlement, any Joint Petitioner may elect to withdraw from the Settlement and may proceed with litigation and, in such event, the Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon

⁶ It is noted that, because certain Joint Petitioners only participated with regard to certain issues in this proceeding, some of the Statements in Support may be limited in the scope of issues addressed.

all Joint Petitioners within five business days after the entry of an Order modifying the Settlement.

65. This Settlement, with one exception, is proposed by the Joint Petitioners to settle all of the issues in the instant proceeding. If the Commission does not approve the Settlement and the proceedings continue, the Joint Petitioners reserve their respective procedural rights to evidentiary hearings, submission of additional testimony and exhibits, cross-examination of witnesses, briefing, and argument of their respective positions. The Settlement is made without any admission against, or prejudice to, any position that any Joint Petitioner may adopt in the event of any subsequent litigation of these proceedings, or in any other proceeding.

66. The Joint Petitioners acknowledge that the Settlement reflects a compromise of competing positions and does not necessarily reflect any Joint Petitioner's position with respect to any issues raised in this proceeding. The terms and conditions of the Settlement are limited to the facts of this specific case and are the product of compromise for the sole purpose of settling this case. This Settlement is presented without prejudice to any position which any of the Joint Petitioners may have advanced and without prejudice to the position any of the parties may advance on the merits of the issues in future proceedings. This Settlement does not preclude the Joint Petitioners from taking other positions in other EDCs' EE&C proceedings or any other proceeding.

67. If the Commission adopts the Settlement without modification, the Joint Petitioners agree that they: (1) will not initiate or join in any challenge to the Settlement; (2) will not assert any positions in derogation to the Settlement; and (3) waive their right to appeal or to seek reconsideration, rehearing, reargument, or clarification of the Commission's order approving the Settlement, except that PPLICA and PPL Electric reserve the right to appeal or to

seek reconsideration, rehearing, reargument, or clarification of any Commission finding regarding PPLICA's TRC Test issues and proposals and the Company's Motion to Strike PPLICA's direct testimony on these issues that have been deferred for briefing. *See supra* Paragraph 53.

VI. CONCLUSION

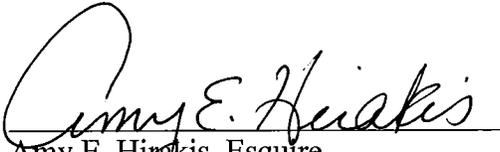
WHEREFORE, PPL Electric Utilities Corporation, the Office of Consumer Advocate, the Office of Small Business Advocate, PP&L Industrial Customer Alliance, Commission for Economic Opportunity, Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania, Sustainable Energy Fund, Nest Labs, Inc., and EnerNOC, Inc. respectfully request that the Pennsylvania Public Utility Commission approve this Joint Petition for Approval of Partial Settlement.

Respectfully submitted,



David B. MacGregor, Esquire
Devin T. Ryan, Esquire
Post & Schell, P.C.
17 North Second Street,
12th Floor
Harrisburg, PA 17101-1601

Counsel for PPL Electric Utilities Corporation



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

Counsel for the Office of Consumer Advocate

Elizabeth Rose Triscari, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101

Counsel for the Office of Small Business Advocate

2-16-2016

Date

Paul E. Russell, Esquire
Kimberly A. Klock, Esquire
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101

2-12-16

Date

Date

Respectfully submitted,

David B. MacGregor, Esquire
Devin T. Ryan, Esquire
Post & Schell, P.C.
17 North Second Street,
12th Floor
Harrisburg, PA 17101-1601

Counsel for PPL Electric Utilities Corporation

Date

Paul E. Russell, Esquire
Kimberly A. Klock, Esquire
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101

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

Counsel for the Office of Consumer Advocate

Date



Elizabeth Rose Triscari, Esquire
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101

Counsel for the Office of Small Business Advocate

2/17/2016

Date



Adeolu A. Bakare, Esquire
Pamela C. Polacek, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166

Counsel for PP&L Industrial Customer Alliance

2/12/16
Date



Patrick M. Cicero, Esquire
Elizabeth R. Marx, Esquire
Joline Price, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101-1414

Counsel for CAUSE-PA

2/12/16
Date



Judith D. Cassel, Esquire
Micah R. Bucy, Esquire
Hawke McKeon and Sniscak LLP
100 N Tenth Street
Harrisburg, PA 17101

Counsel for the Sustainable Energy Fund of Central Eastern PA

2/12/16
Date

Joseph L. Vullo, Esquire
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, PA 18704

Counsel for Commission on Economic Opportunity

Date

Adeolu A. Bakare, Esquire
Pamela C. Polacek, Esquire
McNees Wallace & Nurick LLC
100 Pine Street
PO Box 1166
Harrisburg, PA 17108-1166

Date

Counsel for PP&L Industrial Customer Alliance

Patrick M. Cicero, Esquire
Elizabeth R. Marx, Esquire
Joline Price, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101-1414

Date

Counsel for CAUSE-PA

Judith D. Cassel, Esquire
Micah R. Bucy, Esquire
Hawke McKeon and Sniscak LLP
100 N Tenth Street
Harrisburg, PA 17101

Date

Counsel for the Sustainable Energy Fund of Central Eastern PA

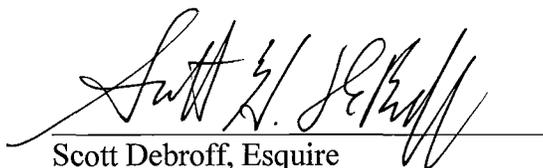


Joseph L. Vullo, Esquire
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, PA 18704

Date

2/11/16

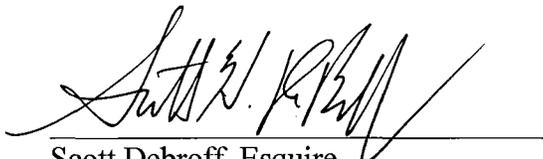
Counsel for Commission on Economic Opportunity



Scott Debroff, Esquire
Tucker Arensberg, P.C.
2 Lemoyne Drive, Suite 200
Lemoyne, PA 17043

Counsel for Nest Labs, Inc.

February 15, 2016
Date



Scott Debroff, Esquire
Kevin Hall, Esquire
Tucker Arensberg, P.C.
2 Lemoyne Drive, Suite 200
Lemoyne, PA 17043

Counsel for EnerNOC, Inc.

February 15, 2016
Date