

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120**

**Petition of Philadelphia Gas Works
for Approval of Demand-Side
Management (DSM) Plan for FY
2016-2020; Philadelphia Gas Works
Universal Service and Energy
Conservation Plan for 2014-2016**

**Public Meeting June 30, 2016
2459362-OSA
Docket No. P-2014-2459362**

**JOINT STATEMENT OF CHAIRMAN GLADYS M. BROWN
AND COMMISSIONER ROBERT F. POWELSON
POLLING ISSUE NO. 5**

Before the Pennsylvania Public Utility Commission (PUC) for consideration and disposition is the Petition of Philadelphia Gas Works (PGW) for approval of its Phase II Demand-Side Management (DSM) plan for 2016-2020. PGW's Phase II DSM plan proposes a pilot program, which includes Fuel Switching and Micro-combined heat and power (CHP) programs. The purpose of these programs is to (1) switch electric, oil or propane heating customers to natural gas heating, and to (2) offer new incentives for customers to invest in micro-CHP applications that provide onsite generation of electricity and heat for hot water or space heating.

The Recommended Decision in this matter disapproves the inclusion of PGW's Efficient-Fuel Switching program as part of its DSM. While we agree with this recommendation that PGW's CHP program should not be included in its DSM, we do not substantively reject PGW's proposed Fuel Switching and Micro-CHP programs. As we said at the February 25, 2016 Public Meeting in the recently launched Proposed Policy Statement on Combined Heat and Power (Agenda No. 2530484-CMR):

We believe that the Commission should facilitate efforts to make Pennsylvania a leader in CHP deployment to more fully realize the benefits provided by CHP and the enhanced utilization of our indigenous shale gas resources.¹

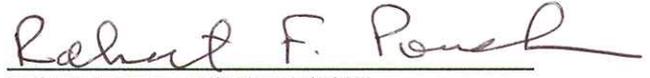
CHP programs can provide real benefits to the economy, the environment, and the security of residents and businesses within the Commonwealth. The Commission also stands ready to work with other federal, state and local governments and agencies to develop an approach focusing on realizing the benefits of CHP programs. As such, we encourage PGW to file a separate CHP filing to address its pilot program concept so that we might address it on the merits.

¹ Joint Motion of Chairman Gladys M. Brown and Commissioner Robert F. Powelson at 2.

Date: June 30, 2016



GLADYS M. BROWN
CHAIRMAN



ROBERT F. POWELSON
COMMISSIONER