

Energy Efficiency & Conservation Information for Your Business

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Act 129 of 2008 provides Pennsylvania businesses, governments and non-profits opportunities to take energy efficiency and conservation to the next level. The General Assembly enacted Act 129 to require Pennsylvania's seven largest electric distribution companies (EDCs) to develop energy efficiency and conservation (EE&C) plans and adopt other methods of reducing the amount of electricity consumed by customers. Pennsylvania's EDCs that are subject to Act 129 include Duquesne Light Company, Metropolitan Edison Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities Corporation, and West Penn Power Company.

The General Assembly charged the Pennsylvania Public Utility Commission (PUC) with implementing Act 129 and guiding businesses, governments, non-profits and electric utilities toward achieving the legislation's overall goals of reducing energy consumption and peak electric demand.

The Act is being implemented in phases that address the EDCs multiple responsibilities to establish EE&C program plans. Phases I and II are now complete. Phase I began on 6/1/2009 and ended on 5/31/2013; Phase II began on 6/1/2013 and ended on 5/31/2016. For both Phase I and II all seven EDCs had met their mandated energy consumption reduction and demand reduction targets. Phase III of Act 129, the current five-year phase, began on 6/1/2016 and will end on 5/31/2021.

Energy Efficiency & Conservation Programs

In March and May 2016, the PUC approved plans from the seven EDCs, detailing how the companies intend to achieve consumption and peak demand reductions in Phase III.

In creating EE&C program guidelines, the Commission recognized a "one-size-fits-all" approach would not be the best approach. The Commission balances the needs of businesses, governments and non-profits with those of the EDCs, as they work to meet the requirements of the legislation. The PUC's program standards provided each EDC with the ability to tailor its energy efficiency and conservation plan to its service territory and consumers. The PUC monitors the EDC plan implementation to ensure the programs are cost-effective and achieve the intended results.

In general, the EDC plans for business, government and non-profit customers include:

- Commercial heating, ventilation and air conditioning (HVAC) efficiency programs that encourage small commercial and industrial, and governmental/non-profit customers to purchase high efficiency systems;
- Lighting efficiency programs that provide rewards for installing occupancy sensors and systems that will reduce the number of lamps per fixture or replace lights with high-intensity lights or light emitting diodes (LEDs);
- Programs focused on reducing energy and demand in the small to medium sector of commercial and industrial, and governmental/non-profit customers, which will provide incentives to customers for improving the energy efficiency for specific processes and applications;
- Direct load control programs of certain systems for small commercial and industrial, and governmental/non-profit customers;
- Reward programs for businesses that install variable speed drives to replace mechanical throttling devices or new variable speed drive applications;
- Customer-owned standby generation for small and large commercial and industrial, and governmental/non-profit customers, which focuses on reducing kW demand by deploying generation during peak load hours.



Businesses, governments and non-profits will receive specific information from their EDC on the money-saving EE&C programs available to them because of Act 129. These programs are designed to help consumers use electricity efficiently, curb consumption and reduce overall demand for electricity. Many of these programs include subsidies from the EDC to encourage the use and employment of energy efficiency measures. Consumers are encouraged to contact their electric utility for more information.

Why Energy Efficiency & Conservation

The EE&C programs established in Act 129 offer many meaningful resources that help customers save money, reduce the impact on the environment, and increase the consumer’s home comfort and quality of life.

The EE&C plans are designed to help the EDCs meet established electricity consumption and peak demand reduction targets. EDCs can be fined up to \$20 million for failing to meet these reduction targets.

Act 129 Mandated Consumption Reduction Targets				
EDC	Phase II Savings Target (MWh)	Phase II Savings Achieved (MWh)	Phase II Total Savings Achieved (MWh)*	Phase III Savings Target (MWh)
Duquesne	276,722	377,248	510,965	440,916
Met-Ed	337,753	368,235	415,422	599,352
PECO	1,125,851	1,090,505	1,333,298	1,962,659
Penelec	318,813	368,508	395,313	566,168
Penn Power	95,502	109,368	131,948	157,371
PPL	821,072	698,736	1,194,372	1,443,035
West Penn	337,533	358,073	418,002	540,986
Total	3,313,246	3,370,673	4,399,320	5,710,487

* including carryover savings from Phase I (MWh)

All of the efforts under Act 129 help to reduce the cost of electricity, and enhance safety and reliability of electric service.

The EE&C requirements of Act 129 also help to offset the need to build new electric generation facilities. The energy savings from Phase I and II are equivalent to the electric generation from a very large coal-fired or nuclear power plant.

More information is available on the PUC website dedicated to Act 129 – http://www.puc.pa.gov/filing_resources/issues_laws_regulations/act_129_information.aspx

For Further Information, Contact the Public Utility Commission

Write

PA Public Utility Commission
Bureau of Consumer Services
400 North Street
Harrisburg, PA 17120

Call

1-800-692-7380
For people with speech
or hearing loss, dial 7-1-1
(Telecommunications Relay
Service)

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