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**PRESS RELEASE**

Date: Aug. 6, 2009

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 **PUC Tentatively Approves a Partial Settlement to Move PECO CFL Program Portion of Act 129 Plan Forward**

HARRISBURG – The Pennsylvania Public Utility Commission (PUC) today tentatively approved a partial settlement that calls for the expedited approval of the CFL program in PECO’s Act 129 energy efficiency and conservation plan (EE&C).

“In my opinion, it is important the Commission do everything in its power to assist the Commonwealth’s electric distribution companies (EDCs) in achieving their Act 129 goals, particularly in instances when the EDCs can enhance their plans with little or no additional incremental costs to customers,” said Commissioner Robert F. Powelson in a [motion](http://www.puc.state.pa.us/general/pdf/Comm-SM/Powelson_Motion_C0015_080609.pdf). “These goals are too important for us to simply act as regulators; we must also act as partners with EDCs to the extent possible and appropriate.”

The Commission voted 5-0 to tentatively approve a partial settlement that provides for early approval of PECO’s CFL initiative in order to participate in the 2009 ENERGY STAR “Change a Light, Change the World” program. The CFL portion of PECO’s plan represents about 60 percent of its projected savings for the first year of the EE&C plan. PECO projects $158 million in total benefits from the CFL program with an estimated cost of about $47 million.

The partial settlement addresses only the CFL portion of the company’s overall EE&C proposal before the Commission for consideration. Under the partial settlement, the costs of the program are deferred for later consideration.

 The partial settlement was reached between PECO and interveners in the company’s EE&C plan such as the Office of Consumer Advocate, the PUC’s Office of Trial Staff, the City of Philadelphia and Citizens for Pennsylvania’s Future. Those interveners who were not a part of the partial settlement have indicated they do not oppose it.

The comment period for the overall EE&C plan ends Aug. 7, 2009. If no adverse comment or answers are filed during that comment period, the partial settlement will become effective with no further action by the Commission. If adverse comments or answers are filed, the settlement is denied and referred back to the PUC’s Office of Administrative Law Judge for further proceedings.

Act 129 expanded the PUC’s oversight responsibilities and imposed new requirements with the overall goal of reducing electricity consumption and demand. It added several new sections to and amended several existing sections of the Public Utility Code.  The Commission is implementing the Act in phases that address EDC responsibilities to implement energy efficiency and conservation programs; smart meter technology; time-of-use rates; real-time pricing plans; default service procurement; market misconduct; alternative energy sources; and cost recovery.

Under Act 129, the seven including PECO largest Pennsylvania EDCs were required to file plans detailing how they intend to achieve consumption and peak demand reductions.  The EE&C plans were to be designed to help the EDCs meet established electricity consumption reduction [targets](http://www.puc.state.pa.us/General/press_releases/Press_Releases.aspx?ShowPR=2224) of 1 percent by May 31, 2011, and 3 percent by May 31, 2013. The EDCs also are required to meet a 4.5 percent reduction in peak demand by May 31, 2013. Peak demand is defined as the systems top 100 hours of highest demand.

The Pennsylvania Public Utility Commission balances the needs of consumers and utilities to ensure safe and reliable utility service at reasonable rates; protect the public interest; educate consumers to make independent and informed utility choices; further economic development; and foster new technologies and competitive markets in an environmentally sound manner. For recent news releases, audio of select Commission proceedings or more information about the PUC, visit our website at [www.puc.state.pa.us](http://www.puc.state.pa.us/).

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Docket No. – M-2009-2093215