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**PRESS RELEASE**

Date: Oct. 15, 2009

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 **PUC Approves Energy Efficiency, Conservation Plan for PECO**

HARRISBURG –The Pennsylvania Public Utility Commission (PUC) today approved an energy efficiency and conservation plan (EE&C) for PECO Energy Co. (PECO) as required by Act 129 of 2008.

The Commission voted 5-0 to approve a [motion](http://www.puc.state.pa.us/pcdocs/1056919.doc) by PUC Chairman James H. Cawley to adopt a plan with modifications as outlined. Vice Chairman Tyrone J. Christy issued a [statement](http://www.puc.state.pa.us/general/pdf/Comm-SM/Christy_Stmt_OSA2093215_101509.pdf). Commissioner Kim Pizzingrilli issued a [statement](http://www.puc.state.pa.us/pcdocs/1056932.pdf). Commissioner Robert F. Powelson issued a [statement](http://www.puc.state.pa.us/general/pdf/Comm-SM/Powelson_Stmt_OSA2093215_101509.pdf).

The plan includes:

* Residential Low-Income Energy Efficiency Program to educate income-eligible customers on how to make their homes more energy efficient by providing home energy audits and installing energy efficiency measures, similar to PECO’s Low-Income Usage Reduction Program (LIURP);
* Residential Whole Home Performance Program designed to help customers improve the energy efficiency of their homes through an energy performance audit, installation of low-cost energy saving measures and rebates for the purchase of additional energy efficiency measures identified through the audit;
* Home Energy Incentives Program to increase the penetration of Energy Star appliances and other high-efficiency measures identified through the offer of rebates;
* Time of use (TOU) with critical peak pricing rates to reflect the cost of serving customers during peak times; and
* [CFL Initiative](http://www.puc.state.pa.us/General/press_releases/Press_Releases.aspx?ShowPR=2310) providing 6.5 million compact fluorescent light bulbs to PECO’s 1.4 million residential customers, previously approved by the Commission.

The plan also includes various programs for commercial, industrial, government and non-profit customers to increase energy efficiency and conservation efforts.

The Commission also will convene a working group composed of PECO representatives, consumer advocates, community-based organizations and other interested parties to address some issues surrounding low-income consumers and clarify other matters affecting the annual reconciliation process. According to the plan, the company also must meet with stakeholders semi-annually until May 31, 2013 to discuss the implementation of the plan.

As required by Act 129, the seven largest Pennsylvania EDCs – Allegheny Power Co.; Duquesne Light Co.; Metropolitan Edison Co.; PECO Energy Co.; Pennsylvania Electric Co.; Pennsylvania Power Co. and PPL Electric Utilities Corp. – filed plans by July 1, 2009, detailing how they intend to achieve consumption and peak demand reductions.  On Jan. 15, 2009, the PUC established the [standards](http://www.puc.state.pa.us/General/press_releases/Press_Releases.aspx?ShowPR=2177) each EDC’s plan must meet.

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 system’s top 100 hours of highest demand.

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.

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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