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**PRESS RELEASE**

Date: Jan. 28, 2010

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**PUC to Weigh Comments on Updates to its Manual Used to Evaluate Energy Savings**

HARRISBURG – The Pennsylvania Public Utility Commission (PUC) today issued for comment proposed updates to its Technical Reference Manual (TRM), which is used to assess energy savings attributable to energy efficiency and demand response measures for the implementation of the state’s Alternative Energy Portfolio Standards Act (AEPS) and the energy efficiency and conservation provisions of Act 129 of 2008.

The Commission voted 5-0 to issue an updated TRM for comment. The TRM sets the standards used to measure and verify applicable demand side management and energy efficiency measures used by the state’s electric distribution companies (EDCs).

Initially established in March 2005, the Commission said the TRM will be updated annually in order to keep pace and remain relevant and useful as experience and technology related to energy efficiency increases. In addition, energy efficiency, load management and demand‑side management measures have become more prevalent and necessary, as evidenced by the recent enactment of Act 129 of 2008.

The specific improvements under consideration focus on select commercial and industrial protocols and are made as part of the regular annual TRM update process. If adopted, the recommended changes should make the TRM a more effective and professional tool for validating savings and provide support for the Act 129 goals. The major goals of the proposed modifications are to:

* Appropriately balance the integrity and accuracy of savings estimates with costs incurred to measure those savings;
* Improve the calculation methods in the current TRM;
* Broaden the scope of the TRM to enable the evaluation of a wider range of prescriptive measures, thereby minimizing the number of measures that must be evaluated through custom protocols;
* Provide stipulated hours of use and demand coincidence factors, which are not specified in the current TRM, in order to simplify the calculation of savings without requiring extensive measurement to evaluate savings; and
* Provide reasonable methods for measurement and verification of the incremental energy savings without unduly burdening staff.

The Commission is open to other suggestions of changes or additions to the TRM not outlined in the proposal. Any proposal should include supporting reference material and data to substantiate any proposed stipulated values.

The deadline for filing comments is 20 days after the PUC Order is published in the *Pennsylvania Bulletin*.  The deadline for filing reply comments is 35 days after the PUC Order is published in the *Pennsylvania Bulletin*. Further instruction on how to file comments will be provided in the Commission’s final order.

AEPS specifically required the Commission to develop standards for tracking and verifying savings from energy efficiency, load management and demand side management measures.  Generally, AEPS requires that a certain percentage of all electric energy sold to retail customers be derived from alternative energy sources such as solar, wind, hydropower, geothermal, biomass, and demand side management resources. The law applies to both EDCs and electric generation suppliers (EGSs) which must demonstrate their compliance on an annual basis.

Act 129 expanded the PUC’s oversight responsibilities and imposed new energy efficiency and conservation requirements on EDCs with at least 100,000 customers. The overall goal is to reduce energy consumption and demand. The Commission is implementing the Act in phases which address EDC and default service provider responsibilities; 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.

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