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| PUC logo | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE**  M-2008-2069887 |

June 24, 2010

TO ALL INTERESTED PARTIES:

Re: Energy Efficiency and Conservation Program

Docket No. M‑2008‑2069887

In the *Implementation Order* entered January 16, 2009, at the above referenced docket number, the Pennsylvania Public Utility Commission (Commission) established the standards and procedures for submittal, review and approval of all aspects of electric distribution company (EDC) energy efficiency and conservation (EE&C) plans, in accordance with Act 129 of 2008 (Act 129). In the *Implementation Order*,[[1]](#footnote-1) the Commission noted that Act 129 requires EDCs to submit an annual report documenting the effectiveness of their EE&C plans, the measurement and verification of energy savings, the evaluation of the cost‑effectiveness of expenditures and any other information required by the Commission.[[2]](#footnote-2) While the *Implementation Order* did not clearly delineate when the annual reports were to be submitted, it did note that as the first annual reports will not be due until 2010, the Commission would address the annual report filing requirements in a subsequent order.[[3]](#footnote-3) By this Secretarial Letter, the Commission is providing additional guidance to EDCs regarding the 2010 Act 129 annual reporting requirement.

For the EE&C plan year that ended May 31, 2010, the Commission directs that EDCs submit their 2010 Act 129 annual report and any proposed EE&C plan revisions by September 15, 2010. The Commission believes that the September 15, 2010, submission deadline will allow EDCs adequate time to compile, verify and analyze the data necessary to determine the effectiveness of its EE&C plan, to measure and verify energy savings, and to evaluate the cost‑effectiveness of its plan expenditures. In setting September 15, 2010, as the 2010 annual report submission deadline, the Commission recognizes that the EE&C plans filed on July 1, 2009, were approved, at least in part, on or after October 23, 2009, and, except for a few programs, have only begun to be implemented in early 2010. The Commission also recognizes that as this is the first year of the EE&C programs, the EDCs, along with the Statewide Evaluator, Commission Staff and other interested parties, are still developing, testing and finalizing the data collection, verification and reporting procedures and formats. Based on these circumstances, the Commission believes that the September 15, 2010, annual report submission deadline is reasonable and appropriate.

The Commission recognizes that in the *Implementation Order*,[[4]](#footnote-4) it had established the annual report filing as the opportunity for EDCs and other interested parties to propose recommendations for revisions to EE&C plans. The Commission notes that the procedures set forth in the *Implementation Order* regarding the submission and review of recommended plan revisions will apply to the 2010 annual report submissions. As set forth in the *Implementation Order*,[[5]](#footnote-5) the annual report and any proposed EE&C plan revisions are to be served on the Office of Consumer Advocate, the Office of Small Business Advocate and the Office of Trial Staff. The Commission will post the annual reports and any proposed EE&C plan revisions on the Commission’s EE&C program web page. Any interested party can make a recommendation for plan improvements or object to proposed EE&C plan revisions within 30 days of the filing of the annual reports and proposed EE&C plan revision filings. Interested parties will have 20 days to file replies to any recommendations for plan improvements or objections to plan revisions, after which the Commission will determine whether to rule on the recommended changes or refer the matter to an ALJ for hearings and a recommended decision. The Commission believes that the September 15, 2010 annual report deadline will not prejudice any interested party as the EE&C plans have not been fully implemented during the first year of the program.[[6]](#footnote-6)

This Secretarial Letter only addresses the 2010 Act 129 annual reporting requirement. The Commission will address future Act 129 annual reporting requirements at a later date.



Sincerely,

Rosemary Chiavetta

Secretary

cc: Chairman’s Office

Vice Chairman’s Office

Commissioners’ Office

Karen Oill Moury, Director of Operations

Bohdan R. Pankiw, Chief Counsel

Robert F. Young, Deputy Chief Counsel

Wayne L. Williams, Director, Conservation, Economics and Energy Planning

1. *Implementation Order* at 13 and 14. [↑](#footnote-ref-1)
2. See 66 Pa. C.S. § 2806.1(i)(1). [↑](#footnote-ref-2)
3. *Implementation Order* at 14. [↑](#footnote-ref-3)
4. *Implementation Order* at 23 and 24. [↑](#footnote-ref-4)
5. *Implementation Order* at 24. [↑](#footnote-ref-5)
6. Act 129 authorizes the Commission to direct an EDC modify or terminate any part of its approved plan after there has been an adequate period for implementation, if the Commission determines that a plan measure will not achieve the mandated reductions in a cost‑effective manner. 66 Pa. C.S. § 2806.1(b)(2). [↑](#footnote-ref-6)