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July 13, 2010

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor (filing room)
PO Box 3265
Harrisburg, PA 17105-3265

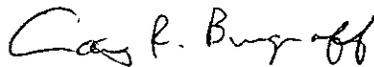
RE: PPL Electric Utilities Corporation Universal Service and Energy Conservation Plan
(2011-2013); Docket No. M-2010-2179796; **PETITION TO INTERVENE**

Dear Secretary Chiavetta:

Enclosed for filing in the above-captioned proceeding are the original and three (3) copies of the Petition to Intervene of Sustainable Energy Fund of Central Eastern Pennsylvania. Copies of these documents have been served as indicated on the attached Certificate of Service.

Thank you for your attention to this matter. If you should have any questions, please feel free to call me.

Very truly yours,



Craig R. Burgraff

CRB/das
Enclosure
cc: Per Certificate of Service

SECRETARY'S BUREAU
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Re: PPL Electric Utilities Corporation :
Universal Service and Energy : Docket No. M-2010-2179796
Conservation Plan (2011-2013) :

**PETITION TO INTERVENE
OF THE
SUSTAINABLE ENERGY FUND
OF CENTRAL EASTERN PENNSYLVANIA**

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SECRETARY'S BUREAU

The Sustainable Energy Fund of Central Eastern Pennsylvania (“SEF”), by and through its attorneys, Hawke McKeon & Sniscak LLP, files this Petition to Intervene in the above-captioned proceeding pursuant to 52 Pa. Code § 5.71, *et seq.* In support of its intervention, SEF states and avers as follows:

I. BACKGROUND

1. The proceeding involves PPL Electric Utilities Corporation’s (“PPL”) filing of its Universal Service and Energy Conservation Plan for 2011-2013 pursuant to the Public Utility Commission’s (“Commission”) regulations at 52 Pa. Code § 54.74.

2. SEF is a Pennsylvania corporation established upon the conclusion of PPL’s Restructuring Proceeding and pursuant to the terms of the Joint Settlement of that proceeding approved by the Commission’s August 27, 1998 Order at Docket No. R-00973954. SEF’s mission is to promote and invest in energy efficiency, renewable energy and energy education that provides opportunities and benefits for PPL ratepayers, including low-income ratepayers.

3. SEF's address is as follows:

The Sustainable Energy Fund of Central Eastern Pennsylvania
968 Postal Road, Suite 315
Allentown, PA 18109

4. The name, address and telephone number of SEF's attorneys are:

Craig R. Burgraff
PA Attorney ID No. 16270
Hawke McKeon & Sniscak LLP
100 North Tenth Street
P. O. Box 1778
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5. SEF participated in a recent proceeding at Docket No. R-2009-21497879 involving the continuation of PPL's tariffed Universal Service Rider, under which PPL collects certain expenses associated with universal service programs provided by PPL to certain residential customers, specifically PPL's customer assistance program known as On Track and PPL's low income usage reduction program known as WRAP.

6. In that proceeding, PPL attempted to unilaterally continue the Universal Service Rider ("USR") through a September 28, 2009 letter to the Commission advising it of same and also advising the Commission that it was not submitting a 2010 Universal Service Rider filing. PPL acted in this fashion even though the Joint Stipulation for Settlement of PPL's 2007 base rate case proceeding at Docket No. R-000072195, which established the reconcilable Universal Service Rider provided, in Paragraph 25(e), that PPL would meet with interested parties no later than July 1, 2009 to discuss whether continued reconciliation of the USR was necessary or appropriate. If a consensus could be reached among the interested parties, PPL would follow that consensus for its 2010 Universal Service Rider filing. If a consensus could not be reached, PPL was to file its preferred approach on or before October 1, 2009, and all parties would have the opportunity to support or oppose PPL's proposal.

7. While PPL did hold several meetings with interested parties, including SEF, it did not make the required tariff filing. SEF, by letter to the Commission of October 13, 2009, opposed PPL's unilateral extension of the USR mechanism since it violated the express terms of the 2007 base rate case settlement and it deprived other parties of their reserved due process rights. SEF requested the Commission to require PPL to either submit a tariff filing for its 2010 USR tariff mechanism in accordance with the settlement, or treat PPL's September 28, 2009 letter as tantamount to such a filing. Eric Epstein also filed a letter on October 13, 2009, in which he opposed PPL's failure to file a tariff to extend the mechanism and noted his opposition to the extension of the USR mechanism.

8. On December 7, 2009, the ALJ issued an order at Docket No. R-00072155 in which she ruled that PPL itself contemplated a 2010 Universal Service Rider tariff filing and that the other parties were justified in expecting such a tariff filing. The ALJ determined that PPL's September 28, 2009 letter was insufficient to satisfy the requirements of the 2007 base rate proceeding settlement and directed PPL to file a proposed tariff containing the continuation of the reconcilable Universal Service Rider consistent with that settlement.

9. PPL made the tariff filing. The SEF petitioned to intervene on January 14, 2010, challenged PPL's inclusion of affiliated expenditures in the rider and PPL's commitment to offer solar water heating as a standard WRAP measure, and requested the Commission to hold hearings on the continuation of the mechanism. In its April 26, 2010 Order at Docket No. R-2009-2149789, the Commission noted that the issues raised by SEF and Mr. Epstein went beyond the narrow question of whether the annual reconciliation provision should be continued, namely raising issues related to the overall universal service plan such as program design, budget implementation and evaluation. The Commission determined that these issues would be more appropriately addressed in PPL's June 1, 2010 Universal Service Plan filing.

10. Accordingly, the Commission directed PPL to serve a copy of its June 1, 2010 Universal Service and Energy Conservation Plan filing on both SEF and Mr. Epstein. The Commission advised SEF and Mr. Epstein to participate and raise issues deemed relevant to PPL's universal service programs in that proceeding. It also directed PPL to serve a copy on the Office of Consumer Advocate.¹

11. Undersigned counsel, who was counsel to SEF in the USR proceeding, was not served by PPL with the filing, nor was anyone at SEF. SEF made several contacts with PPL's outside counsel inquiring about whether the filing was made, with no definitive response. SEF became aware of the filing through discovery answers in PPL's current rate case. The cover letter of the filing shows only that PPL complied with the Commission's April 26, 2010 Order by serving the OCA. The other two individuals served are Commission employees.

12. PPL directly violated the Commission's April 26, 2010 Order in R-2009-2149789 by failing to serve SEF. The Commission should instruct PPL to desist from its current conduct. PPL first ignored the Commission's approved settlement in the 2007 base rate case by attempting to unilaterally continue the Universal Service Rider. Now it has ignored the Commission's clear direction to serve SEF and others with its Universal Service plan. These attempts to negate the due process rights of interested parties is simply inimical to regulation and the Commission's responsibilities.

¹ *Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation*, Docket No. R-2009-2149789, Slip. Op. at 9 (April 26, 2010).

II. SEF's INTEREST IN THIS PROCEEDING

13. SEF's mission, as noted above, is to promote and invest in energy efficiencies, renewable energy and energy education that provides opportunities and benefits for PPL ratepayers, including low-income ratepayers. In furtherance of its mission, SEF is engaged in projects that emphasize renewable energy sources, such as solar and wind power development, clean energy technologies, energy conservation and efficiency, as well as energy education.

14. SEF has been an active participant in PPL's 2007 base rate proceeding at Docket No. R-00072195, since the settlement in that proceeding and has actively participated in matters relative to the continuation of the Universal Service Rider mechanism. SEF has also been an active party in PPL's Request for Approval of a Default Service Program and Procurement Plan at Docket No. R-2008-2060309, PPL's Request for Approval of an Energy Efficiency and Conservation Plan at Docket No. M-2009-2093216 and PPL's Request for Approval of Time of Use Rate Supplement No. 71 to Tariff Electric Pa. P.U.C. No. 201 at Docket No. R-2009-2122718. Of particular concern to SEF in PPL's proposed 2011-2013 Universal Service and Energy Conservation Plan is the complete removal of solar water heating from its WRAP program. It's current WRAP program incorporates the commitment to solar water heating as part of WRAP, which is not subject to the Commission's payback criteria, as noted in its 2007-2010 plan contained in Appendix A of PPL's Tariff Supplement No. 59 to Electric Pa. P.U.C. No. 201, original page No. 43. While SEF in the USR docket noted that PPL had failed to adequately follow through on its commitment to offer solar water heating as a standard WRAP measure, it now proposes to cease this aspect of WRAP all together.

15. In the renewable energy measures at pages 14-15 of its WRAP proposal, PPL proposes to cease installing new solar water heating systems, but will offer a specific list of maintenance items for previously installed systems through WRAP for income-eligible customers.

Thus, it is abandoning its commitment to renewable energy measures. This essentially leaves low-income customers with no options since, as PPL noted, low-income customers do not receive solar water heating through state weatherization or other utility weatherization programs.

16. PPL's alternative is to refer WRAP participants interested in solar water heating systems to the PA Sunshine program, which offers up to a maximum 35 percent grant for a low-income homeowner that installs a renewable system. PPL posits several "key advantages" to this proposal, namely customer commitment to saving energy since the customer has a financial investment in the system, the ability to shop for an installation price from an extensive list of qualified installers,² customer ability to utilize tax credits and the Keystone Home Energy Efficiencies Loan Program, and the PA Sunshine program waiver of the site selection fee for low-income customers.

17. What is ignored in this proposal is the ability of low-income customers to finance the non- PA Sunshine portion of solar water heating systems. PPL's own analysis suggests that low-income customers will not be able to finance solar water heating. Regardless, the point of WRAP is to assist low-income customers in electric energy conservation, thereby reducing electric bills and improving living comfort. It is not to throw low-income customers to programs that they can't afford.

18. PPL's alternative to solar water heating is a heat pump water heater, which it currently promotes as a LIURP and Act 129 measure. The heat pump water heater is an approved electric Energy Star Water Heater. PPL plans on offering the heat pump water heater as part of WRAP as well. PPL, thus, not only proposes to abandon its limited renewable measures but also to increase

² This advantage appears inconsistent with PPL's reasons for jettisoning its solar water heaters as part of WRAP, which included PPL's struggles to maintain an installer network throughout certain areas and no weatherization solar infrastructure in Pennsylvania. Indeed, PPL proposes to reserve up to \$75,000 annually to subsidize the training and certification costs for existing WRAP contractors that want to obtain a solar water heater and/or photovoltaic certification through the PA Sunshine program.

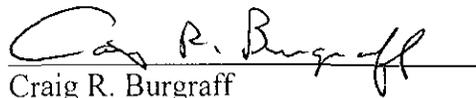
the promotion of systems that use electricity. It is necessary to investigate the cost effectiveness of heat pump water heaters compared to solar thermal water heaters.

19. SEF's intervention is necessary to insure the development of a complete record on the reasonableness of PPL abandoning its commitment to solar water heating for low-income customers and increasing the promotion of electric systems over renewable measures. SEF has a unique perspective in keeping with its mission to promote and invest in energy efficiency, renewable energy and energy education that provides opportunities and benefits for PPL ratepayers, including low-income ratepayers, that cannot be represented by any other party to this proceeding, which is in the public interest and which should be considered by the Commission.

20. SEF intends to actively participate in this proceeding.

WHEREFORE, the Sustainable Energy Fund of Central Eastern Pennsylvania requests that the Public Utility Commission grant its Petition to Intervene in the above-captioned proceeding and grant it full party status. SEF also requests that the Public Utility Commission assign this matter to the Office of Administrative Law Judge and hold hearings on PPL's proposed 2011-2013 Universal Service and Energy Conservation Plan.

Respectfully submitted,



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*Counsel for Sustainable Energy Fund of Central
Eastern Pennsylvania*

Dated: July 13, 2010

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

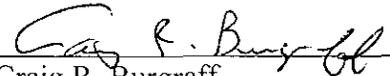
BY FIRST CLASS MAIL

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Craig R. Burgraff

Dated this 13th day of July 2010