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September 20, 2010

Rosemary Chiavetta Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street P. O. Box 3265 Harrisburg, PA 17105-3265

> In re: Docket No. M-2009-2093218 <u>Petition of West Penn Power Company d/b/a Allegheny Power</u>

Dear Secretary Chiavetta:

Enclosed for filing on behalf of The Pennsylvania State University are an original and three copies of the University's Answer to the Petition of West Penn Power Company, d/b/a Allegheny Power, to Amend Its Energy Efficiency and Conservation Plan. Copies of the Answer are being served upon the persons and in the manner set forth on the certificate of service attached to it.

Very truly yours,

THOMAS, LONG, NIESEN & KENNARD

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Charles E. Thoma

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Encl. cc: Certificate of Service (w/encl.) 100220-Chiavetta (Answer to Pet Re Amended Plan).wpd

Before The PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of the West Penn Power	:	Docket No. M-2009-2093218
Company d/b/a Allegheny Power for	:	
Approval of its Energy Efficiency	:	
and Conservation Plan, Approval of	:	
Recovery of Costs through a	:	DEOF
Reconcilable Adjustment Clause and	:	RECEIVEL
Approval of Matters Relating to the	:	
Energy Efficiency and Conservation	:	SEP 20 2010
Plan	:	PA PUBLIC UTIL

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

ANSWER OF

THE PENNSYLVANIA STATE UNIVERSITY TO PETITION OF WEST PENN POWER COMPANY, d/b/a ALLEGHENY POWER, TO AMEND ITS ENERGY EFFICIENCY AND CONSERVATION PLAN

AND NOW, comes The Pennsylvania State University ("Penn State" or "University"), by its attorneys, and, pursuant to 52 Pa. Code § 5.61 and § 5.572,

answers, as follows, the Petition of West Penn Power Company, d/b/a Allegheny Power,

to Amend its Energy Efficiency and Conservation Plan:

I. INTRODUCTION

1. This proceeding concerns a proposed amendment to the Energy Efficiency and Conservation Plan ("EE&C/DR Plan") filed by West Penn Power Company, d/b/a Allegheny Power, ("Allegheny Power" or "Company") pursuant to the requirements of Act 129 of 2008, P.L. 1492 ("Act 129"), 66 Pa.C.S. §§ 2806.1-2806.2. Penn State is a major generation, transmission, and distribution service customer of Allegheny at its University Park campus receiving service under Allegheny Tariff No. 37 ("Tariff 37").¹

¹ The University also receives generation, transmission, and distribution service from Allegheny under Tariff No. 39 ("Tariff 39") for approximately 100 additional accounts at the University Park campus and campuses at New Kensington, Fayette and Mont Alto.

2. Penn State intervened in the proceeding and participated as an active party. The focus of the University's intervention and participation was and remains the EE&C/DR Plan services for Tariff 37.

The Public Utility Commission addressed Allegheny Power's EE&C/DR
Plan filing in Orders entered October 23, 2009, March 1, 2010 and June 23, 2010 at
Docket No. M-2009-2093218.

II. ALLEGHENY POWER'S AMENDED PLAN FILING

4. On September 10, 2010, Allegheny Power filed a Petition to Amend its EE&C/DR Plan. Allegheny Power states in its Petition, paragraph 6, that it is proposing EE&C/DR Plan changes "to meet the requirements of Act 129, based on changes to Smart Meter programs ... as well as on additional experience gained since the Company filed its original EE&C/DR Plan."

5. One of the Plan changes proposed by Allegheny Power is an expansion of the Custom Application Program. Allegheny Power contends that program implementation and management of the Program to date support expanding the opportunity for additional customer projects beyond the level originally projected. Allegheny Power also proposes to increase the budget for the Custom Application Program.

6. Allegheny Power's Amended Plan proposes an increase of the EE&C Surcharge for Tariff 37 from \$0.44 per kW PLC to \$0.52 per kW PLC, an increase of over 18%. Of the total increase of \$0.08 per kW PLC, \$0.05 per kW PLC is for the Custom Application Program. On a dollar basis, the surcharge would increase Penn State's monthly surcharge for average usage from \$24,600.88 to \$28,803.73 as presented at page 279 of the Amended Plan.

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III. <u>PENN STATE'S ANSWER TO</u> ALLEGHENY POWER'S PETITION AND AMENDED PLAN FILING

7. Allegheny Power is proposing to amend its EE&C/DR Plan to remove and expand Programs, and in regard to Tariff 37, expand the Customer Application Program. The Amended Plan includes a proposal for a significant \$0.08 per kW PLC increase to the EE&C Surcharge for Tariff 37. Penn State submits that the Commission should review and investigate the Amended Plan and decline to approve any Tariff 37 Program changes or Tariff 37 EE&C Surcharge increases that are not supported by substantial evidence.

WHEREFORE, The Pennsylvania State University answers as aforesaid the Petition of West Penn Power Company, d/b/a Allegheny Power, to Amend Its Energy Efficiency and Conservation Plan.

Respectfully submitted,

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Attorneys for The Pennsylvania State University

Dated: September 20, 2010 PSU Answer to Petition Re Amended Plan.wpd

Before The PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of the West Penn Power Company d/b/a Allegheny Power for		Docket No. 2009-2093218
Approval of its Energy Efficiency		
and Conservation Plan, Approval of		RECEIVED
Recovery of Costs through a		RECEIVED
Reconcilable Adjustment Clause and Approval of Matters Relating to the		SEP 202010
Energy Efficiency and Conservation		
Plan	:	PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I have this 20th day of September, 2010, served a true and

correct copy of the Answer of The Pennsylvania State University to the Petition of West

Penn Power Company, d/b/a Allegheny Power, to Amend Its Energy Efficiency and

Conservation Plan, upon the persons and in the manner set forth below:

BY FIRST CLASS MAIL, POSTAGE PREPAID

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