

PENNSYLVANIA UTILITY LAW PROJECT

**118 LOCUST STREET
HARRISBURG, PA 17101-1414**

**HARRY S. GELLER, ESQ.
HGELLERULP@PALEGALAID.NET**

**PHONE: (717) 232-2719
FAX: (717) 233-4088**

February 18, 2011

Via E-Filing
Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: PPL Electric Utilities Corporation Universal Service and Energy Conservation Plan
for 2011 through 2013, Docket No. M-2010-2179796**

Dear Secretary Chiavetta:

Please accept for e-filing in the above captioned matter Lorrie Koons' Statement in Support of Settlement. All parties to this proceeding will receive this Statement via email, as well as hard copies.

Thank you for your assistance, and please feel free to contact me directly should you have any questions.

Very truly yours,



Harry S. Geller, Esq.

Enclosures

cc: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation Universal
Service and Energy Conservation Plan for
2011 through 2013

Docket No. M-2010-2179796

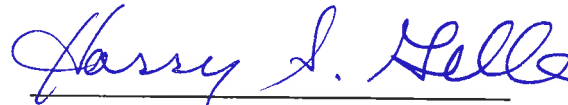
CERTIFICATE OF SERVICE

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

VIA E-MAIL AND FIRST CLASS MAIL

ALJ Susan D. Colwell PA Public Utility Commission Commonwealth Keystone Building 400 North Street, Fl. 2 West POB 3265 Harrisburg, PA, 17105	Aron J. Beatty, Esq. Office of Consumer Advocate 5th Floor, Forum Place 555 Walnut Street Harrisburg, PA 17101-1923
Craig R. Burgraff, Esq. Hawke, McKeon, & Sniscak LLP 100 N. 10th Street P.O. Box 1778 Harrisburg, PA 17101	Paul E. Russell, Esq. Associate General Counsel PPL Services Corp. 2 North 9th Street Allentown, PA 18101
William R. Lloyd, Jr. Esq. Steven C. Gray Office of Small Business Advocate Commerce Building, Suite 1102 300 North Second Street Harrisburg, PA 17101	Pamela C. Polacek, Esq. Shelby A. Linton-Keddie, Esq. McNees Wallace & Nurick LLC 100 Pine Street P.O. Box 1166 Harrisburg, PA 17108
Anthony D. Kanagy, Esq. Post & Schell, P.C. 17 North Second Street, 12 th Floor Harrisburg, PA 17101	David B. MacGregor, Esq. Post & Schell, P.C. Four Penn Center 1600 John F. Kennedy Boulevard Philadelphia, PA 19103
Richard A. Kanaskie, Esq. PA PUC Office of Trial Staff PO Box 3265 Harrisburg, PA 17101	Eric J. Epstein 4100 Hillside Road Harrisburg, PA 17112

Joseph L. Vullo, Esq. Burke Vullo Reilly Roberts 1460 Wyoming Avenue Forty Fort, PA 18704	
--	--



Harry S. Geller, Esq.
Patrick M. Cicero, Esq.
Julie George, Esq.
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101-1414
(717) 236-9486
pulp@palegalaid.net

Dated: February 18, 2011

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**LORRIE KOONS STATEMENT IN SUPPORT
OF
JOINT PETITION FOR SETTLEMENT**

General Statement:

Lorrie Koons (“Koons”), a signatory party to the Joint Petition for Settlement (“Settlement”) in the above-captioned proceeding, respectfully requests that the terms and conditions of the Settlement be approved by Administrative Law Judge Susan D. Colwell (“ALJ”), and the Pennsylvania Public Utility Commission (“Commission”). Ms. Koons submits that the proposed Settlement is in the public interest.

Lorrie Koons is a residential low income customer of PPL. On December 14, 2010, Koons filed a Petition to Intervene. On January 6, 2011, the ALJ issued an Order Granting the Petition to Intervene of Lorrie Koons. As an intervening party in the above-captioned proceeding Koons filed the direct and surrebuttal testimony of her witness, D. William Browning. She actively participated in the negotiations that led to the execution of the Joint Petition for Settlement.

Although this Settlement reflects a compromise and does not necessarily reflect the attainment of each of positions advanced by Koons in this proceeding, it represents an agreement which is fair and reasonable, avoids the necessity and uncertainty of outcome inherent in further administrative and potential appellate proceedings and arrives at a negotiated outcome which is in the public interest.

Reasons For Support of The Settlement as Being in The Public Interest:

1. The settlement provides that the maximum annual CAP credits under the USP Plan will be \$2,160 for electric heating customers and \$850 for non-heating customers. PPL Electric will continue to use these maximum CAP credit amounts through the term of its 2011-2013 USP Plan and will evaluate the impact of the maximum CAP credits and determine if the levels should increase, decrease or stay the same in its next USP Plan filing for the period 2014-2016. Households will continue to receive notices from PPL Electric when they have reached 50% and 80% of their annual maximum CAP credits. Households reaching the 80% level will be evaluated for WRAP services on a priority basis provided that they apply and are eligible for the program. If customers' premises have received WRAP services within the past seven (7) years, customers will only receive energy education and Act 129 or Weatherization Assistance Program referral information including telephone and other contact information.

The commitment by PPL to evaluate eligible households on a priority basis, upon reaching the 80% level of their maximum CAP Credits, for WRAP service eligibility will be of significant assistance to those households. The priority receipt of WRAP services, which will result in a decrease in household energy use, may delay or even avoid the negative results to that household of reaching the maximum CAP Credit level. The household will therefore, through its continued participation in OnTrack, be better able to afford and maintain electric service. Households, who have received WRAP services within the past seven (7) years, will also benefit as a result of a referral to comparable Act 129 or weatherization services and the receipt of energy education.

2. The settlement commits PPL Electric to conduct an analysis of the four (4) payment plan options offered through OnTrack. The analysis will address issues including, but not limited to, the number of customers participating in each payment option, the average payment amount of each option, and the default rate of each payment plan option. PPL Electric will complete this analysis within three (3) months of the Commission's final approval of the Company's USP Plan (i.e., date final order is entered) and provide the analysis at that time to each of the parties in this proceeding.

PPL's use of four payment plan levels within On Track is laudable for its intent to achieve an appropriate plan tailored to individual household's circumstances while maximizing the level of payment. However, the use of these four different payment options creates different payment levels and different energy burdens among On Track participant households. An analysis, as agreed upon in the settlement, will assist PPL and the Commission in understanding the effects of the four different payment plans on household payment behavior and upon the household's ultimate program success or failure.

3. The settlement commits PPL Electric to work collaboratively with the Commission on Economic Opportunity ("CEO") in the in-home energy display pilot. Subject to customers' consent, PPL Electric will provide referrals to CEO for the pilot, kWh usage information (pre- and post-usage information in a format determined by PPL Electric) for low-income customers who participate in the CEO's in-home display pilot and gross value (total expenditures) of the weatherization work done under the pilot for grant match purposes. PPL Electric agrees to cooperate with CEO in providing information necessary pursuant to the pilot and the pilot program evaluation requirements. PPL Electric will provide the names,

telephone numbers and e-mail addresses of WRAP contractors so that CEO can coordinate the scheduling of the work associated with the in-home energy display devices.

This pilot will seek to improve upon energy savings for the participating weatherized households and provide reliable research findings on the use and comparative effectiveness of several models of in-home displays to be tested by low-income consumers in weatherized homes. These are laudable goals. The coordination and collaborative steps to be taken by PPL, pursuant to this settlement, will assist CEO conduct and evaluate the results of the pilot. This will enable CEO, PPL and the Commission to review the potentially beneficial effects of in-home displays for low-income consumers as well as the comparable effectiveness of the various in-home display models which will be employed in the pilot.

4. As a result of the settlement, PPL Electric withdraws its proposal to expand its WRAP income guidelines up to 250% of the federal poverty level without prejudice to the Company's right to re-file its proposal or an amended proposal in a subsequent proceeding.

Current Commission regulations do not permit WRAP to serve households up to 250% of the federal poverty level (FPL). The withdrawal of the proposal to serve households with incomes up to 250% FPL will avoid conflict with Commission requirements and will enable PPL to focus its WRAP endeavors on those households more economically impoverished.

5. As a result of the settlement PPL Electric has included in its 2011-2013 USP Plan a description of its efforts to coordinate WRAP services with other low-income weatherization

programs (e.g., Weatherization Assistance Program (“WAP”) and American Recovery and Reinvestment Act (“ARRA”) funded weatherization.

The coordination of WRAP services with other low-income weatherization programs such as the traditional WAP and ARRA funded weatherization will enable PPL to more effectively allocate and deploy its limited WRAP resources. The combination and coordination of these programs will enable PPL and its contractors to more effectively leverage available resources and enable a potentially more holistic conservation and weatherization approach in each low income household. The Plan PPL has included is thorough, specific and comprehensive. It provides valuable guidance and information to contractors, the public and to the Commission.

The settlement commits PPL Electric to meet with key Area Agencies on Aging to review and discuss the Company’s programs and services for low-income customers; LIHEAP; credit and collection procedures; and various billing options and services (e.g., third-party notification). Prior to holding these meetings, PPL Electric will provide an agenda to parties in this proceeding and give parties the opportunity to provide input on the agenda. PPL Electric retains its sole discretion in determining whether to make any changes to its meeting agenda. PPL Electric agrees to complete these meetings within six (6) months of the Commission’s final approval of the Company’s USP Plan (i.e., date final order is entered). A list of the key Area Agencies on Aging that the Company will meet with is provided in Attachment B. PPL Electric further agrees to consider changes, if any, to its programs and services for low-income customers based on information obtained from these meetings.

Area Agencies on Aging provide essential information and protective services to senior citizens. The agency personnel as well as the seniors they serve will benefit by the receipt of additional information regarding the services and programs which PPL provides to its low-income customers. The receipt of this information may enable customers to be better able to remain in their homes and to maintain essential electric service at more affordable rates. PPL will benefit by the receipt of input concerning the agenda from the diversely representative parties in this proceeding and by the feedback it will receive from key Area Agencies on Aging concerning its universal service programs.

Conclusion:

In conclusion, the Settlement allows PPL to move forward with its Universal Service and Energy Conservation Plan for 2011-2013. The Plan will benefit thousands of low income households able to participate in PPL's On Track, WRAP and Operation HELP programs. Accordingly, Koons believes that the Settlement represents a reasonably balanced resolution of the numerous issues in this proceeding, is in the public interest and requests that the ALJ and the Commission approve the Settlement.

Respectfully submitted,



Harry S. Geller, Esq.
Patrick M. Cicero, Esq
Julie George, Esq.
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101-1414
Telephone (717) 236-9486
FAX (717) 233-4088
pulp@palegalaid.net

Dated: February 18, 2011

Counsel for Lorrie Koons