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March 10, 2011

Secretary Rosemary Chiavetta Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17120 VIA HAND DELIVERY

RE: Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company for Amendment of the Orders Approving Energy Efficiency and Conservation Plans and Petition for Approval of First Amended Energy Efficiency and Conservation Plans; Docket Nos. M-2009-2092222, M-2009-2112952, and M-2009-2112956

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the original and three (3) copies of the Joint Answer of the Met-Ed Industrial Users Group, the Penelec Industrial Customer Alliance, and the Penn Power Users Group to the Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company for Amendment of the Orders Approving Energy Efficiency and Conservation Plans and Petition for Approval of First Amended Energy Efficiency and Conservation Plans, in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to the proceeding are being served with a copy of this document. Please date stamp the extra copy of this transmittal letter and Joint Answer, and kindly return them to our messenger for our filing purposes.

Very truly yours,

McNEES WALLACE & NURICK LLC

By Vasiliki Karandrikas

Counsel to Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance, and Penn Power Users Group

VK/sds

Enclosures

: Chief Administrative Law Judge Charles E. Rainey, Jr. (via First-Class Mail)
Jonathan P. Nase, Office of Special Assistants (via E-mail and Hand Delivery)
Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Petition of Metropolitan Edison

Company, Pennsylvania Electric Company

and Pennsylvania Power Company for

Amendment of the Orders Approving Energy

Efficiency and Conservation Plans and

Petition for Approval of First Amended

Energy Efficiency and Conservation Plans

Docket Nos. M-2009-2092222,

M-2009-2112952, and

M-2009-2112956

JOINT ANSWER OF
THE MET-ED INDUSTRIAL USERS GROUP,
THE PENELEC INDUSTRIAL CUSTOMER ALLIANCE, AND
THE PENN POWER USERS GROUP TO THE JOINT PETITION OF
METROPOLITAN EDISON COMPANY, PENNSYLVANIA ELECTRIC COMPANY,
AND PENNSYLVANIA POWER COMPANY FOR AMENDMENT OF THE ORDERS
APPROVING ENERGY EFFICIENCY AND CONSERVATION PLANS AND PETITION
FOR APPROVAL OF FIRST AMENDED ENERGY EFFICIENCY AND
CONSERVATION PLANS

Pursuant to Sections 5.61 and 5.62 of the Pennsylvania Public Utility Commission's ("Commission" or "PUC") regulations, the Met-Ed Industrial Users Group ("MEIUG"), the Penelec Industrial Customer Alliance ("PICA"), and the Penn Power Users Group ("PPUG") (collectively, "MEIUG, et al.") hereby file this Joint Answer to the Joint Petition of Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec"), and Pennsylvania Power Company ("Penn Power") (collectively, "Companies") for Amendment of the Orders Approving Energy Efficiency and Conservation ("EE&C") Plans and Petition for Approval of First Amended EE&C Plans ("Joint Petition"), which was filed on February 18, 2011. The Joint

¹ 52 Pa, Code §§ 5.61 and 5.62.

² On February 18, 2011, Met-Ed, Penelec, and Penn Power also filed a Joint Petition for Expedited Approval of Amendments to the Residential HVAC Program and Governmental & Institutional Components of the Commercial and Industrial Equipment Programs ("Expedited Joint Petition"). Please note that MEIUG, et al., are contemporaneously filing a separate Answer in response to the Companies' Expedited Joint Petition.

Petition seeks Commission approval of proposed modifications to the Companies' EE&C Plans by May 19, 2011, for implementation by June 1, 2011.

In the Joint Petition, the Companies propose modifications to the EE&C Plans currently in effect, including significant increases to the Energy Efficiency and Conservation Charge ("EEC-C") Rider rates for Large Commercial and Industrial ("C&I") customers. As discussed below, the Companies' proposed EE&C Plan modifications raise a number of concerns. Of particular concern to MEIUG, et al., are the potential impacts of the proposed changes to, and increased funding for, the Large C&I Programs on the Companies' Large C&I customers. As filed, the Joint Petition and accompanying materials are deficient and, thus, do not present adequate information to accurately assess the impact of the proposed changes on the Companies' Large C&I customers. Moreover, the information presented does not provide a sufficient basis upon which to determine whether the proposed EE&C Plan changes are necessary, appropriate, reasonable, and non-discriminatory. Accordingly, MEIUG, et al., respectfully request that the Commission initiate an investigation to review the Companies' proposed EE&C Plan modifications, with the allowance of discovery, testimony, hearings, and briefs by interested parties.

In support of this Joint Answer, MEIUG, et al., state the following:

1. Act 129 of 2008 ("Act 129") imposed upon certain Pennsylvania electric distribution companies ("EDC") annual energy efficiency and demand reduction obligations for the 2010-2013 period.³ Act 129 required Pennsylvania EDCs falling within its purview to implement PUC-approved EE&C Plans that offered customer programs designed to achieve the mandated energy efficiency and demand reduction targets.

³ As articulated in the Act, only EDCs with at least 100,000 customers are required to submit energy efficiency and conservation programs. 66 Pa. C.S. § 2806.1 et seq.

- 2. On July 1, 2009, the Companies submitted EE&C Plans for Commission review and approval. By order entered on February 26, 2010, the Commission approved the Companies' currently effective EE&C Plans.⁴
- 3. On September 15, 2010, the Companies filed their annual reports with the Commission; however, they did not propose any changes to their EE&C Plans at that time.⁵
- 4. On February 18, 2011, the Companies filed the Joint Petition, in which they propose a number of changes to their EE&C Plans, including a significant increase to Large C&I customers' EEC-C Rider, the mechanism through which the Companies recover EE&C Plan program costs from such customers. The Joint Petition asserts that the proposed EE&C Plan program changes and funding increases are necessary to enable the Companies to meet their demand reduction targets in 2012, and energy efficiency targets by May 31, 2013.⁶
- 5. The Companies contend that the proposed changes are necessary due to three factors. First, all current savings projections are overstated by 11% due to the Companies' use of an 11% transmission and distribution gross up factor. Second, certain programs are underperforming compared to the expectations reflected in the current EE&C Plans. Finally, customer demand for the Large C&I Equipment Programs has exceeded expectations and, consequently, these programs have been suspended until additional funding has been secured.

⁴ See <u>Joint Petition of Metropolitan Edison Company</u>, <u>Pennsylvania Electric Company</u>, <u>and Pennsylvania Power Company for Consolidation of Proceedings and Approval of Energy Efficiency and Conservation Plans</u>; Docket Nos. M-2009-2092222, <u>et al.</u> (Feb. 26, 2010).

⁵ Joint Petition at ¶10.

⁶ <u>See Met-Ed EE&C Plan at § 1.1.1; Penelec EE&C Plan at § 1.1.1; Penn Power EE&C Plan at § 1.1.1; see also Testimony of George L. Fitzpatrick ("Fitzpatrick Testimony") at 11.</u>

⁷ See Joint Petition at ¶13. The Companies claim that, subsequent to PUC approval of the EE&C Plans, the Statewide Evaluator and the PUC Bureau of Conservation Economics and Energy Planning determined that savings projections should be calculated at the retail level for compliance purposes.

⁸ <u>Id.</u>

⁹ <u>Id.</u>

- 6. As a threshold matter, Met-Ed proposes to include an additional \$4.5 million for its Large C&I Programs. Met-Ed proposes to allocate \$2.5 million to the Demand Response Program, and the remaining \$2 million to the Large C&I Equipment Program. Due to the proposed budget increases for Met-Ed's Large C&I Programs, the EEC-C Rider rate for Large C&I customers will increase by 60% for Met-Ed customers on Rate Schedules GS-Large, GP, and TP. 11
- 7. Similarly, Penelec proposes to include an additional \$4 million for Large C&I Programs. Of this \$4 million, Penelec proposes to allocate \$2.6 million to the Demand Response Program, and the remaining \$1.4 million to the Large C&I Equipment Program. As a result of the proposed budget increases for the Companies' Large C&I Programs, the EEC-C Rider rate for Large C&I customers will increase by 41% for Penelec customers on Rate Schedules GS-Large, GP, and LP. 13
- 8. Finally, Penn Power proposes to include an additional \$400,000 for Large C&I Equipment Programs. Penn Power also proposes to change the design of its EEC-C Rider rate for Large C&I customers taking service pursuant to Rate Schedules GP and GT. Specifically, Penn Power proposes to move from the present kVa-based EE&C Rider to a kW-based EE&C Rider, beginning on June 1, 2011. Under this proposal, Penn Power's EEC-C Rider charge for Large C&I customers would change from \$0.62 per kVa to \$1.12 per kW. PPUG's preliminary analysis indicates that the proposed budget increase coupled with the proposed change in the

¹⁰ Fitzpatrick Testimony at 10.

¹¹ See Testimony of Charles V. Fullem ("Fullem Testimony") at Exhibit CVF-1, page 1 of 3, line 16.

¹² Fitzpatrick Testimony at 10.

¹³ See Fullem Testimony at Exhibit CVF-1, page 2 of 3, line 16.

¹⁴ Fitzpatrick Testimony at 9.

¹⁵ Fullem Testimony at 7-8.

¹⁶ Id. at Exhibit CVF-1, page 3 of 3, line 15.

design of the Large C&I EEC-C Rider rate will result in a rate increase for Penn Power customers on Rate Schedules GP and GT.

- 9. The Companies further propose to change the incentive structure and level for the Large C&I lighting component of the C&I Equipment Program. Currently, the Large C&I lighting incentive is paid on a \$/Watt ("W") basis. The Companies propose to replace the \$/W incentive structure with a \$/kilowatt-hour ("kWh") incentive structure.¹⁷ The \$/kWh incentive will purportedly improve the correlation between the incentive paid and energy savings contributed by the customer.¹⁸
- 10. Additionally, the Companies propose to establish an incentive range for the lighting component of the Large C&I Equipment Program.¹⁹ Presently, the incentive is \$0.65/W and, depending on the customer's load factor, the incentive translates into a range of approximately \$0.085/kWh to \$0.15/kWh.²⁰ The Companies propose to set the initial incentive level for this program at \$0.05/kWh, with a proposed ceiling of \$0.09/kWh, based on the recommendation of the program implementation contractor SAIC Energy Environment & Infrastructure LLC ("SAIC").²¹
- 11. Finally, in addition to proposing an incentive level range for the lighting component of the Large C&I Equipment Program, the Companies propose to restate <u>all</u> program incentives as ranges.²² The Companies' proposal is intended to provide Met-Ed and Penelec full

¹⁷ Joint Petition at ¶26.

¹⁸ Fitzpatrick Testimony at 14.

¹⁹ Joint Petition at ¶26.

²⁰ Id.; see also Fitzpatrick Testimony at 14.

²¹ See Met-Ed EE&C Plan at § 1.1.1.B.4; Penelec EE&C Plan at § 1.1.1.B.4; Penn Power EE&C Plan at § 1.1.B.4.

²² Met-Ed EE&C Plan at § 1.D; Penelec EE&C Plan at § 1.D; Penn Power EE&C Plan at § 1.D.

discretion to "change incentive levels within those ranges as market conditions warrant without further Commission approval."²³

- 12. MEIUG, PICA, and PPUG are <u>ad hoc</u> associations of energy-intensive commercial and industrial customers receiving electric service in Met-Ed's, Penelec's, or Penn Power's service territory, respectively.²⁴ MEIUG members purchase service from Met-Ed primarily under Rate Schedule TP, as well as available riders. PICA members purchase service from Penelec primarily under Rate Schedule LP, as well as available riders. PPUG members purchase service from Penn Power primarily under Rate Schedule GT, as well as available riders. MEIUG, <u>et al.</u>, have been active participants in many PUC proceedings addressing rates, terms, and conditions of service in the Companies' service territories, including the Companies' EE&C proceedings.
- 13. As discussed below, the Companies' proposed EE&C Plan modifications raise a number of issues, and, consequently, a number of concerns. Of particular concern to MEIUG, et al., are the potential impacts of the proposed changes to, and increased funding for, the Large C&I programs on the Companies' Large C&I customers. The Joint Petition, however, fails to provide sufficient information to enable the Commission and interested parties to examine the potential impacts of the Companies' proposed modifications. For these reasons, MEIUG, et al., respectfully request that the Commission initiate an investigation to fully review whether these proposed modifications are just, reasonable, and non-discriminatory.
- 14. With respect to modifications to PUC-approved EE&C Plans, the Commission explained:

²³ Fitzpatrick Testimony at 20.

²⁴ A list of MEIUG members is attached as Appendix A. A list of PICA members is attached as Appendix B. A list of PPUG members is attached as Appendix C.

Because FirstEnergy's Act 129 Plan will be approved by Commission order, procedures for rescission and amendment of Commission orders must be followed to amend that order and to assure due process for all affected parties. See 66 Pa. C.S. § 703(g) (relating to fixing of hearing: rescission and amendment of orders). Accordingly, if any Company believes that it is necessary to modify its Act 129 Plan, that Company may file a petition requesting that the Commission rescind and amend its prior order approving the Plan. See 52 Pa. Code §§ 5.41 (relating to petitions generally) and 5.572 (relating to petitions for relief).

The EDC's petition should explain the specific reasons supporting its requested modifications to its approved Plan, i.e., the shifting of funds between programs or customer classes, the discontinuation of a program, etc. The petition should also contain a request to modify its cost recovery mechanism. Evidence supporting the modification of the Plan and the cost recovery mechanism shall be submitted with the petition. The petition shall be served on all parties participating in the EDC's Act 129 Plan proceeding. If the EDC believes that the need for modification of its plan is immediate, the EDC can request expedited consideration of its petition. 25

- 15. Moreover, Section 2806.1(b)(2) expressly states that the "Commission shall direct" an EDC to modify or terminate any part of its approved plan if, after an adequate period for implementation, "the Commission determines that an energy efficiency or conservation measure will not achieve the required reductions in consumption in a cost-effective manner."²⁶
- 16. As discussed more fully herein, MEIUG, et al., does not believe that the Joint Petition presents the evidence necessary to determine whether the proposed modifications to the EE&C Plans are appropriate, including whether proposed measures will achieve the anticipated reductions in cost-effective manner while still ensuring just, reasonable, and non-discriminatory EEC-C charges for Large C&I customers.

²⁵ See Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company for Consolidation of Proceedings and Approval of Energy Efficiency and Conservation Plans; Docket Nos. M-2009-2092222, et al., at p. 124 (Oct. 28, 2009) ("October 2009 Order") (emphasis added).

²⁶ 66 Pa. C.S. § 2806.1(b)(2) (emphasis added).

Lack of Sufficient Evidence To Support Proposed EE&C Plan Modifications

- 17. As a threshold matter, the stated overarching objective of the Companies' proposed EE&C Plan modifications is to better position Met-Ed, Penelec, and Penn Power to meet their energy efficiency and demand reduction targets in 2012 and 2013. Without Commission approval of the proposed modifications, the Companies claim they are in danger of falling short of Act 129's mandated goals.
- 18. The Joint Petition, however, lacks adequate "[e]vidence supporting the modification[s]" to the Companies' EE&C Plans. For example, the Joint Petition does not include data regarding the Companies' year-to-date progress in meeting Act 129 targets and the projected shortfall under the current EE&C Plans. The Joint Petition similarly fails to adequately explain how the proposed modifications will improve the Companies' ability to meet their Act 129 targets. The Joint Petition further lacks adequate cost-benefit ratio information for the Companies' proposed EE&C Plan modifications and, consequently, precludes a reasoned determination on the cost-effectiveness those proposed modifications.
- 19. The Companies' failure to include such supporting information contravenes the PUC's October 2009 Order. Furthermore, without such information, there is an insufficient basis not only to determine whether the modified EE&C Plans will achieve the Act 129 targets in a cost-effective manner, but also to assess the impacts of proposed changes on large C&I customers.
- 20. Finally, as set forth herein, this lack of supporting evidence is found throughout the proposed EE&C Plans. Specifically, the Companies have failed to provide the evidence needed to support any of the proposed changes impacting Large C&I customers.

The Companies' Large C&I Equipment Programs

- With respect to the Large C&I Equipment Program, the Companies claim that overwhelming customer response for this particular program resulted in its suspension due to a depletion of funds. To this end, the Companies request increases to their respective Large C&I Programs budgets.²⁷ Act 129 requires that the Commission ensure "measures approved are financed by the same customer class that will receive the direct energy and conservation benefits."²⁸
- 22. The Joint Petition, however, does not include information confirming that only customers within the foregoing rate schedules have received the "direct energy and conservation benefits" from the programs that have been suspended due to a lack of funds. The Joint Petition also fails to include pertinent program details, such as the number of customers that received incentives and the average incentive per customer. The seemingly unparalleled success of the Large C&I Equipment Programs, coupled with the significant budget increases requested by the Companies, makes it necessary to verify that year-to-date costs have been properly allocated prior to investing additional funds in these programs. Moreover, because the EEC-C Rider charge is allocated on a per kW basis, the larger the load of the Large C&I customer, the more significant portion of the Companies' EE&C Plan costs will be paid by that customer. Detailed program information is necessary to demonstrate how Large C&I customers are extracting value from the Large C&I Programs, as well as to ensure that the Large C&I Programs are not benefiting only a handful of participants at the expense of the entire class.

²⁷ The Large C&I Programs are available to Met-Ed customers taking service under Rate Schedules GS-Large, GP, and TP; Penelec customers taking service under Rate Schedules GS-Large, GP, and LP; and Penn Power customers taking service under Rate Schedules GP and GT.

²⁸ 66 Pa. C.S. § 2806.1(a)(11).

23. The Companies also indicate that additional funding will permit the currently suspended Large C&I Equipment program to re-open. The current suspension of this program suggests that there may be pending customer applications filed in reliance on the original incentive level and incentive structure. This raises the question of how pending applications will be treated if the Large C&I Equipment program incentives are modified in this proceeding. In other words, it is unclear if pending customer applications will be entitled to receive incentives pursuant to the original Large C&I Programs, with changes applicable prospectively for new applications filed on or after February 18, 2011.

Met-Ed and Penelec Demand Response Programs

24. In addition to increasing funding for the Large C&I Equipment Programs, Met-Ed and Penelec propose to increase funding to the Demand Response Programs by \$2.5 million and \$2 million, respectively. The Joint Petition is devoid of evidence supporting this modification to the Companies' Large C&I Demand Response Program. In fact, the Joint Petition lacks information about current customer performance as well as expected improvements in customer performance due to the availability of increased funding. Moreover, the Petition provides little information regarding the performance of the other customer classes with respect to Demand Response Programs in comparison to the Large C&I class. In other words, the Companies fail to provide support for proposing changes to the Large C&I Demand Response Programs without making any modifications to other customer classes' Demand Response Programs.

Penn Power's Large C&I EEC-C Rider Rate Design Change

25. Penn Power proposes to move from the present kVa-based EE&C Rider to a kW-based EE&C Rider, beginning on June 1, 2011. Under this proposal, Penn Power's EEC-C Rider charge for Large C&I customers would change from \$0.62 per kVa to \$1.12 per kW. The Joint

Petition, however, contains no analysis of the potential rate impact of this proposed change to its Large C&I EEC-C Rider rate. PPUG's preliminary analysis indicates that the proposed budget increase coupled with the proposed change in the design of the Large C&I EEC-C Rider rate will result in a rate increase for Penn Power customers on Rate Schedules GP and GT.

The Companies' Incentive Range Proposal

- 26. The Companies further propose to restate all incentives as ranges in order to exercise unilateral discretion in awarding incentives within those ranges based on market conditions and without Commission approval. As a preliminary matter, the Commission clearly stated that "[t]he General Assembly authorized the Commission, not the EDC, to make decisions in regard to modifying an approved Act 129 Plan."²⁹ Based on the October 2009 Order and other recent Commission orders, it is clear that any changes to an EDC's EE&C Plan must be submitted for Commission review prior to implementation.³⁰ The Companies' proposal to assume unilateral discretion over all incentive levels appears to directly conflict with Commission precedent.
- 27. Even assuming, <u>arguendo</u>, that the Companies' proposal does not directly conflict with Commission precedent, it presents the potential for discrimination. The Companies claim that unspecified "market conditions" will guide their decisions on the appropriate incentive level. The Joint Petition contains no information describing the "market conditions" or any other objective criteria to be applied in setting inventive levels. Objective criteria are necessary to ensure that the Companies and their program implementation administrator treat similarly situated customers in a similar manner. In the absence of such objective criteria, applicants may be subject to undue discrimination.

²⁹ October 2009 Order at p. 123 (emphasis added).

³⁰ Accord Fitzpatrick Testimony at 21.

28. In addition, the Joint Petition contains no discussion explaining whether and how customers will be notified of the applicable incentive for a particular program and any changes to such an incentive. Perceived uncertainty in the availability and level of incentives may diminish a customer's desire to apply for a particular program, thereby undermining the Companies' efforts to improve program participation.

Conclusion

- 29. As explained herein, the Joint Petition raises a number of serious concerns regarding the lack of information supporting the Companies' proposed EE&C Plan modifications. These concerns include, but are not limited to, the Companies' progress in meeting Act 129 goals and how the proposed changes will advance those goals, the lack of adequate cost-benefit ratio information, the absence of information verifying appropriate program cost allocation, and the potential unlawfulness of the Companies' unilateral discretion under the incentive range proposal. The Joint Petition and accompanying materials are deficient because they fail to provide adequate information to accurately assess and address the potential impact of the proposed EE&C Plan modifications on the Companies' Large C&I customers.
- 30. In order to obtain the necessary information to appropriately review the issues raised by the Companies' proposed EE&C Plan modifications, a Commission-ordered investigation is necessary. Such a proceeding would permit interested parties to obtain additional information through discovery, present evidence regarding the potential impacts of the Companies' proposals through testimony, and address the policy and legal implications through briefs.
- 31. For the foregoing reasons, MEIUG, et al., respectfully request that the Commission initiate an investigation in the above-captioned proceeding in order to remedy the

information deficiencies in the Joint Petition and afford interested parties due process in addressing the necessity and appropriateness of the proposed EE&C Plan changes through discovery, testimony, hearings, and briefs.

WHEREFORE, the Met-Ed Industrial Users Group, the Penelec Industrial Customer Alliance, and the Penn Power Users Group hereby files this Answer to the Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company for Amendment of the Orders Approving Energy Efficiency and Conservation Plans and Petition for Approval of First Amended Energy Efficiency and Conservation Plans. MEIUG, et al., respectfully request that the Commission commence an investigation to address the issues raised herein through discovery, testimony, hearings, and briefs.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By <u>Vasuk Kmardukco</u> Charis Mincavage (Pa. I.D. No. 82039)

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Counsel to the Met-Ed Industrial Users Group, the Penelec Industrial Customer Alliance, and the Penn Power Users Group

Dated: March 10, 2011

AFFIDAVIT

COMMONWEALTH OF PENNSYLVANIA) ss

COUNTY OF DAUPHIN

Vasiliki Karandrikas, being duly sworn according to law, deposes and says that she is Counsel to the Met-Ed Industrial Users Group, the Penelec Industrial Customer Alliance, and the Penn Power Users Group, and that in this capacity she is authorized to and does make this affidavit for them, and that the facts set forth in the foregoing Joint Answer are true and correct to the best of her knowledge, information and belief.

Vasdyk Karandukas) Vasiliki Karandrikas

SWORN TO and subscribed

before me this 10.th day

of March, 2011.

Notary **Ψ**ublic

(SEAL)

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal Mary A. Sipe, Notary Public City of Harrisburg, Dauphin County My Commission Expires March 19, 2013

APPENDIX A

MET-ED INDUSTRIAL USERS GROUP

Air Liquide Industrial U.S. LP Cambridge-Lee Industries, LLC Carpenter Technology Corporation Dixie Consumer Products, LLC, Lehigh Valley East Penn Manufacturing Company Exide Technologies, Inc. Farmers Pride, Inc. Glen-Gery Corporation Harley-Davidson Motor Company - York Division Knouse Foods Cooperative, Inc. Magnesita Refractories Co. PPG Industries, Inc. RH Sheppard Co., Inc. - Foundry Division Royal Green LLC Sweet Street Desserts, Inc. Tray-Pak Corporation

> PA PUC SECRETARY'S BURE AU

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APPENDIX B

PENELEC INDUSTRIAL CUSTOMER ALLIANCE

American Refining Group Inc.

Appleton Papers Inc.

Cargill Taylor Beef

E.I. du Pont de Nemours and Company

Electralloy, a G.O. Carlson, Inc., Co.

Ellwood National Steel

Erie Forge & Steel, Inc.

Glen-Gery Corporation

Pittsburgh Glass Works, L.L.C.

Procter & Gamble Paper Products Company

Sheetz, Inc.

Standard Steel

Team Ten, LLC - American Eagle Paper Mills

The Plastek Group, Inc.

U.S. Silica Company

Wegmans Food Markets, Inc.

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APPENDIX C

PENN POWER USERS GROUP

Ellwood Quality Steels Company

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

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Dated this 10th day of March, 2010, in Harrisburg, Pennsylvania.