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| **PENNSYLVANIA****PUBLIC UTILITY COMMISSION****Harrisburg, PA 17105-3265** |
| Public Meeting held May 5, 2011 |
| Commissioners Present:Robert F. Powelson, ChairmanJohn F. Coleman, Jr., Vice ChairmanTyrone J. ChristyWayne E. GardnerJames H. Cawley |
| Petition of PPL Electric Utilities Corporation for Approval of its Energy Efficiency and Conservation Plan  | Docket No. M-2009-2093216  |

**OPINION AND ORDER**

Table of Contents

[I. Background 1](#_Toc291578549)

[II. Procedural History 4](#_Toc291578550)

[III. Description of the February 2011 Plan 6](#_Toc291578551)

[A. Description of the Overall Plan 6](#_Toc291578552)

[B. Description of the Proposed Changes 8](#_Toc291578553)

[1. Fine-Tuning of Program Rebate Levels, Energy Efficiency Measure Descriptions and Eligibility Requirements 8](#_Toc291578554)

[2. Measures Added to the Efficient Equipment Program 13](#_Toc291578555)

[3. Measures Moved from the Efficient Equipment Program to the Custom Incentive Program 14](#_Toc291578556)

[4. Measures Deleted from the Efficient Equipment Program 15](#_Toc291578557)

[5. Modifications to the Load Curtailment Program and Direct Load Control Program 15](#_Toc291578558)

[IV. Discussion 16](#_Toc291578559)

[A. Out of Time Comments 17](#_Toc291578560)

[B. 50 MW Increase in the Large C&I Load Curtailment Program 18](#_Toc291578561)

[C. Rebate Cap and Additional Funding for Renewable Energy Measures 24](#_Toc291578562)

[D. Incentives for Comprehensive Residential Audits 26](#_Toc291578563)

[E. Residential Thermal Storage Rate Fuel Switching 28](#_Toc291578564)

[F. Tracking Low-Income Participation 29](#_Toc291578565)

[G. Flexibility to Make Minor EE&C Plan Modifications 31](#_Toc291578566)

[V. Conclusion 31](#_Toc291578567)

**BY THE COMMISSION:**

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Petition of PPL Electric Utilities Corporation (PPL) for Approval of Changes to its Act 129 Energy Efficiency and Conservation (EE&C) Plan filed February 28, 2011 (February 2011 Petition). Comments on the Plan were filed by the PPL Industrial Customer Alliance (PPLICA) on March 21, 2011, and by the Sustainable Energy Fund of Central Pennsylvania (SEF) on March 22, 2011.[[1]](#footnote-1) Reply Comments were filed by PPL on March 31, 2011.

# I. Background[[2]](#footnote-2)

Act 129 of 2008 (Act 129) was signed into law on October 15, 2008, and took effect thirty days thereafter on November 14, 2008. Act 129 has several goals including reducing energy consumption and demand. Act 129, *inter alia*, amended the Public Utility Code (Code), 66 Pa. C.S. §§ 101 *et seq*., to require the Commission to develop and adopt an Energy Efficiency and Conservation (EE&C) Program by January 15, 2009. The Commission’s EE&C Program is to include the following:

* A procedure for approving EE&C plans submitted by electric distribution companies (EDCs).
* A process to evaluate and verify the results of each plan and the program as a whole.
* A process through which recommendations can be made for the employment of additional consumption reduction measures.
* A cost recovery mechanism to ensure that measures approved are financed by the customer class that directly receives the energy and conservation benefits.

66 Pa. C.S. § 2806.1(a).

By Opinion and Order entered January 16, 2009, at Docket No. M-2008-2069887, *In re: Energy Efficiency and Conservation Program* (*Implementation Order*), the Commission established the standards that EE&C plans must meet and provided guidance on the procedures to be followed for submittal, review and approval of all aspects of EE&C plans. The *Implementation Order* stated:

Regarding approved plans, the Commission will permit EDCs and other interested stakeholders, as well as the statutory advocates, to propose plan changes in conjunction with the EDC’s annual report filing required by the Act at 66 Pa. C.S. § 2806.1(i)(1). The Commission will establish a deadline for the filing of annual reports by the EDCs following the approval of the EDCs’ plans in 2009. These annual reports are to be served on OCA, OSBA and OTS. The Commission will also post the annual reports on a web page dedicated to the EE&C program. The Commission and any interested party can make a recommendation for plan improvement or object to an EDC’s proposed plan revision within 30 days of the annual report filing. EDCs will have 20 days to file replies, 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 notes that, in addition to the above-described process, the Commission retains its statutory authority to conduct investigations and initiate statutory and regulatory compliance proceedings against jurisdictional utilities.

*Implementation Order* at 24*.*

On July 1, 2009, PPL filed its Petition of PPL Electric Utilities Corporation for Approval of its Energy Efficiency and Conservation Plan (July 2009 Plan). The matter was assigned to the Office of Administrative Law Judge (OALJ) for investigation. Following the investigation, by Opinion and Order entered October 26, 2009 (*October 2009 Order*), *inter alia*, we approved, in part, and rejected in part, PPL’s July 2009 Plan and directed PPL to file a revised Plan within sixty days.

On December 17, 2009, PPL filed a revised EE&C Plan (December 2009 Plan). Following our review of the Comments and Reply Comments filed regarding the December 2009 Plan, we approved the December 2009 Plan by Opinion and Order entered February 17, 2010 (*February 2010 Order*).

By Secretarial Letter issued June 24, 2010 at Docket No. M-2008-2069887 (*June 2010 Secretarial Letter*), the Commission provided updated guidance to the EDCs regarding the 2010 Act 129 annual reporting requirements. Specifically, for the EE&C plan year ending May 31, 2010, the Commission required the EDCs to submit their annual report and any proposed EE&C plan revisions by September 15, 2010. The Commission would accept recommendations for plan improvements, or objections to proposed changes in the plans, within thirty days. Interested parties could submit replies to plan recommendations or objections to proposed changes during the next twenty days. The *June 2010 Secretarial Letter* stated that the Commission would subsequently decide whether to refer the proceeding to the OALJ for hearing.

By Secretarial Letter issued September 1, 2010 at Docket Nos.
M-2009-2093217*, et seq*. (*September 2010 Secretarial Letter*), the Commission provided guidance to the EDCs regarding the format of revised EE&C plans, including a requirement that all changes to text and tables be reflected in a black-lined version of the EE&C Plan.

# II. Procedural History[[3]](#footnote-3)

On September 15, 2010, PPL filed: (1) its Petition for Approval of Changes to its Act 129 Energy Efficiency and Conservation Plan (September 2010 Petition); (2) an Executive Summary of PPL’s Proposed Plan Modifications (Executive Summary); and (3) a black-lined copy of PPL Electric Utilities Corporation’s Energy Efficiency and Conservation Plan (September 2010 Plan), marked to show changes from the December 2009 Plan.

On October 5, 2010, the Office of Small Business Advocate (OSBA) filed an Answer to PPL’s September 2010 Petition (OSBA Answer). The OSBA stated, *inter alia*, that in PPL’s September 2010 Plan, PPL still had not addressed the concerns that the OSBA expressed regarding the July 2009 Plan and the December 2009 Plan with respect to the magnitude of incentives and subsidies offered to customers. OSBA Answer at 2-3. The OSBA requested that the September 2010 Plan be referred to the OALJ for hearing and a Recommended Decision. *Id*. at 4. By Secretarial Letter dated November 9, 2010, the Commission granted the OSBA’s request for hearings and assigned this matter to the OALJ for further proceedings.

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On October 15, 2010, Comments were filed by the UGI Distribution Companies (UGI) and Pennsylvania Communities Organizing for Change (PCOC). PPLICA filed Comments on or about October 20, 2010. On November 4, 2010, PPL filed a Reply to the Comments of PCOC, PPLICA, and UGI and the Answer of the OSBA.

Following a prehearing conference on November 12, 2010, a hearing was held on November 17, 2010, in Harrisburg. The Parties present at the hearing included: the Office of Trial Staff (OTS); the Office of Consumer Advocate (OCA); the OSBA; the Commonwealth of Pennsylvania, Department of Environmental Protection (DEP); PCOC; PPLICA; PPL; and Constellation NewEnergy, Inc. (Constellation).[[4]](#footnote-4) PPL submitted into evidence a statement explaining the changes to its EE&C Plan and two exhibits: (1) Summary of Minor Changes to Program Year 1 Implementation Details; and (2) the September 2010 Plan. PPLICA submitted PPL’s materials from its April 28, 2010 and October 20, 2010 stakeholder meetings as two cross-examination exhibits.

On November 30, 2010, PPL, DEP, Constellation, and PPLICA filed Main Briefs (M.B.). OCA, PPLICA, and PPL filed Reply Briefs (R.B.) on December 3, 2010.

By Recommended Decision (R.D.) issued December 17, 2010, Administrative Law Judges Elizabeth H. Barnes and Dennis J. Buckley (ALJs) recommended, *inter alia*, that the September 2010 Plan be approved. During the proceeding, issues were raised concerning EE&C program changes that were not reflected in the September 2010 Plan. Accordingly, the ALJs also recommended that the Commission direct PPL to file a revised Plan within sixty days reflecting all of the modifications to its EE&C program. R.D. at 18-20. Exceptions to the Recommended Decision were filed by PPL and PPLICA on January 5, 2011. Pursuant to the *September 2010 Secretarial Letter*, Reply Exceptions were not permitted.

By our Opinion and Order entered January 28, 2011 (*January 2011 Order*), we, *inter alia*, approved the September 2010 Plan and directed PPL to file a revised Plan within thirty days that reflected all of the changes to its EE&C program that had not been included in the September 2010 Plan. PPL was also directed to address whether changes to its Plan are warranted to meet the provisions of the Commission’s Report of the Act 129 Low Income Working Group, released April 27, 2010, at Docket No.
M-2009-2146801 (LIWG Report). Interested parties were permitted to file recommendations or comments on the revised Plan within twenty days of the submission of the revised Plan and replies to any comments and recommendations were due ten days thereafter.

On February 28, 2011, PPL filed its February 2011 Petition and a black-lined version of its EE&C Plan that reflects the changes to its Plan required by our *January 2011 Order* (February 2011 Plan). The Petition also addresses the Plan’s compliance with the LIWG Report and provides preliminary data on customers switching from gas to electric appliances. Comments on the Plan were filed by PPLICA on March 21, 2011 and by SEF on March 22, 2011. Reply Comments were filed by PPL on March 31, 2011.

# III. Description of the February 2011 Plan

## A. Description of the Overall Plan

PPL’s Plan contains the following fourteen programs designed to improve the efficiency of the energy consumption of its customers and/or reduce customers’ contribution to system peak load:

* + - 1. Efficient Equipment Incentive Program
			2. Residential Energy Assessment & Weatherization
			3. Compact Fluorescent Lighting Campaign
			4. Appliance Recycling Program
			5. ENERGY STAR® New Homes program
			6. Renewable Energy Program
			7. Direct Load Control Program
			8. Time of Use Rates
			9. Energy-Efficiency Behavior and Education
			10. Low-income WRAP
			11. Low-income E-Power Wise
			12. Commercial and Industrial Custom Incentive Program
			13. HVAC Tune-up Program
			14. Load Curtailment Program

February 2011 Plan at 6.

PPL explained that, in order to meet the requirements of Act 129,[[5]](#footnote-5) its Plan is designed to meet the following targets:

* 1% energy savings by 2011 = 382,000 MWh
* 3% energy savings by 2013 = 1,146,000 MWh
* 4.5% peak load reduction by 2013 = 297 MW.

*Id*. at 7.

PPL’s Plan is also designed to comply with the designated spending cap of 2% of its 2006 annual revenue. This equates to an average of $61.5 million per year for a total of about $246 million over the four-year duration of the Plan. *Id.*

## B. Description of the Proposed Changes

In its February 2011 Plan, PPL has proposed to make thirty-three changes to the September 2010 Plan, the last Plan approved by the Commission. PPL has grouped these changes into the following five categories: (1) Fine-Tuning of Program Rebate Levels, Energy Efficiency Measure Descriptions and Eligibility Requirements;
(2) Measures Added to the Efficient Equipment Program; (3) Measures Moved from the Efficient Equipment Program to the Custom Incentive Program; (4) Measures Deleted from the Efficient Equipment Program; and (5) Changes in Program Milestones or Projected Peak Load Reduction. February 2011 Petition at 8.

### 1. Fine-Tuning of Program Rebate Levels, Energy Efficiency Measure Descriptions and Eligibility Requirements

PPL averred that the following twenty-one revisions to its September 2010 Plan, if approved, will have no impact on the cost or savings of a program, customer sector or the Plan. February 2011 Petition at 8.

1. The rebate for programmable thermostats in the Efficient Equipment Program was changed from $50 to “up to $50” because the price of many thermostats is less than $50 and PPL will not reimburse participants for more than the total cost. The February 2011 Plan also made thermostats with a minimum 5 + 1 +1 capability (5 weekdays plus Saturday and Sunday settings) eligible for the rebate. February 2011 Plan at 2 and 62. PPL
St. No. 5 at 16-17.
2. The rebates for motors in the Efficient Equipment Program were changed from 50% of incremental cost to a flat rebate amount by type/HP. PPL explained that “incremental cost” is difficult to define, document, and for customers to understand. February 2011 Plan at 2 and 144. PPL St. No. 5 at 17.
3. The rebate for insulation in the Efficient Equipment Program was changed from 70% of installed cost to $0.30/sq. ft. up to 70% of installed cost. This change expanded the eligibility to include bringing insulation up to code levels for existing space. PPL stated that it added a requirement that customers add a minimum R-11 insulation to prevent a customer from adding an insignificant amount of insulation to bring a building up to code and then qualifying for a rebate. February 2011 Plan at 2, 72 and 145. PPL St. No. 5 at 17.
4. PPL added per project rebate caps for renewable energy (solar photovoltaic (PV) and ground source heat pumps). The project size and number of projects applying for a rebate were greater than expected and the installed cost of PV has decreased recently. PPL averred that these caps allow more projects to receive incentives and prevents a few, very large projects from consuming all of the program’s funding. February 2011 Plan at 2 and 98. PPL St. No. 5 at 18.
5. The customer eligibility requirement for PV was modified so applicants after January 28, 2010, could not receive a PPL Electric rebate if they also received a Pennsylvania Department of Environmental Protection rebate. PPL stated that this change will encourage more renewable projects statewide. *Id.*
6. PPL closed the PV portion of the Renewable Energy Program in March 2010 because it was fully subscribed. *Id.*
7. The rebate for fluorescent high bay fixtures in the Efficient Equipment Program was changed to a flat amount per lamp and to permit 2 to 10 lamps per fixture. PPL explained that the original description was limited to 4-lamp fixtures which do not reflect “real world conditions.” February 2011 Plan at 2 and 142. PPL St. No. 5 at 19.
8. PPL increased the rebate for a comprehensive audit in the Energy Assessment &Weatherization Program from $100 to $150 for participants who have air conditioning or electric heat. The $250 rebate is unchanged for participants who have air conditioning and electric heat. February 2011 Plan at 2 and 72. PPL St. No. 5 at 19.
9. The minimum energy efficiency ratio (EER) and the rebates for DX packaged air conditioners in the Efficient Equipment Program were changed to reflect changes in code requirements after December 31, 2009. The minimum EER increased from 11 to 11.5 and the rebate for EER 11.5 changed from $80/ton to $55/ton (consistent with the previous rebate for minimum EER 11). The rebate for EER 12 changed from $105/ton to $80/ton and PPL added a $105/ton rebate for EER 12.5 and greater. PPL explained that, with the change in the code requirements, it needed to change the minimum eligibility requirements to ensure the units were more efficient than the baseline. February 2011 Plan at 2 and 144.

PPL St. No. 5 at 20.

1. PPL added the “Energy Star” designation as a requirement for commercial ice makers in the Efficient Equipment Program. The prior standard was simply “high efficiency” and PPL stated that “Energy Star” designation established a minimum efficiency standard. *Id.*
2. The eligible wattage for high pressure sodium lights in the Efficient Equipment Program was changed from “70 watt exterior” to “between 65 watts and 300 watts.” PPL explained that the single 70 watt standard was too limiting and not representative of the standard lamp wattages available in the marketplace. The change also permits interior applications. February 2011 Plan at 3 and 145. PPL St. No. 5 at 20.
3. The eligibility rating of LED exit lighting in the Efficient Equipment Program was changed from “5 watts” to “5 watts or less.” PPL submitted that the old standard prevented a customer from getting an incentive for an exit sign that is less than 5 watts which will result in even greater energy savings. *Id.*
4. PPL simplified the T8 lighting eligibility standard to include any length bulb. PPL stated that the original incentive was “incorrectly” limited to a four-foot standard, which was too restrictive and not representative of common fixture lengths in the marketplace. *Id.*
5. The original eligibility requirements for lighting occupancy sensors were modified to allow fixture-mounted and wireless sensors. PPL explained that the original eligibility standard required wall or ceiling mounted sensors and that they be hard wired. PPL averred that the fixture mounted and wireless sensors are just as effective. February 2011 Plan at 3 and 145. PPL St. No. 5 at 21.
6. PPL clarified that the Custom Incentive Program rebate caps are per calendar year and that the incentives are limited to 50% of incremental costs of a measure. This program has annual limits on the incentives that can be awarded per “customer site” and per “parent company.” The amendments also clarified that a “site” is one building with one or more meters and the parent cap will apply to a campus setting or multiple buildings with one owner. February 2011 Plan at 3 and 157.

PPL St. No. 5 at 21.

1. The rebates for office equipment (computers, printers, copiers) in the Efficient Equipment Program were changed from a “percent of incremental cost” to fixed dollar amounts. PPL stated that the concept of “incremental cost” is not well understood by customers and there are no standards in Pennsylvania to define the incremental cost of a measure. February 2011 Plan at 3 and 145. PPL St. No. 5 at 21-22.
2. PPL clarified that high efficiency furnaces for RTS customers' fuel switching include oil and propane in addition to gas. PPL averred that this was the original intent of the program. February 2011 Plan at 3 and 63. PPL St. No. 5 at 22.
3. The description of the High Efficiency (HE) Fixture/Design measure was changed to “Lighting Power Density Reduction” (LPD). PPL also clarified that LPD reduction applies to new construction, major renovation, and change in space use. PPL changed the rebate from 50% of incremental cost to $0.35/watt reduced. PPL explained that lighting power density is the basis for determining savings for lighting for new construction, major renovation or change in use. This standard change, together with the new rebate structure, will simplify the program for customers and PPL. February 2011 Plan at 3 and 144. PPL St. No. 5 at 22-23.

1. The eligibility for Compact Fluorescent Lamps (CFLs) rebates in the Efficient Equipment Program was changed so they are limited to C&I customers who purchase CFLs from sources other than retail stores participating in the CFL Program. PPL explained that customers that purchased CFLs from participating retailers would have received double incentives if they also submitted a rebate application under the Efficient Equipment Program. February 2011 Plan at 3 and 144.

PPL St. No. 5 at 23.

1. PPL modified the measure description for high bay lighting in the Efficient Equipment Program. The “HO” was dropped from “T8HO.” PPL stated that it did not realize that the original “T8HO” limited the eligible light fixtures to those that were eight feet long. PPL explained that there is no reason to exclude other lengths, such as the most common four foot fixture. *Id*.
2. PPL provided in the February 2011 Plan that residential customers are eligible for the Custom Incentive Program. Initially, this program was only open to the Small C&I, Large C&I and Government and Non-Profit customer classes. PPL expected that the residential customers that will participate in the Custom Incentive Program will be farms on a residential rate schedule. February 2011 Plan at 3 and 56. PPL St. No. 5 at 23.

### 2. Measures Added to the Efficient Equipment Program

PPL explained that it was not possible to identify every possible, viable energy efficiency measure in the original list of eligible measures. PPL stated that as it implemented its programs and had more extensive discussions with trade allies and customers, it became apparent that the following measures should be added to the Efficient Equipment program. PPL St. No. 5 at 26.

1. PPL explained that Energy Star lighting was included in the original Plan but did not mention Energy Star Lighting that is part of a ceiling fan. The Plan was amended to clarify that incentive also applies to ceiling fans with light fixtures. February 2011 Plan at 4 and 63. PPL St. No. 5 at 26.
2. PPL stated that T-8 lighting was included in the original list of measures but it added super T-8 and T-5 lighting because they are very common and are more energy efficient than T-8. February 2011 Plan at 4 and 145. PPL St. No. 5 at 26.
3. PPL submitted that LED retrofit kits and cold cathode lighting were added to the list of measures because they are emerging lighting technologies and are desired by customers. *Id.*
4. PPL explained that water-cooled chillers were in the original list of measures but PPL did not intend to exclude air-cooled chillers. Accordingly they were added as a program measure. *Id.*

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### 3. Measures Moved from the Efficient Equipment Program to the Custom Incentive Program

Incentives for installing strip curtains and refrigeration night covers, and for a decrease in the cooling tower approach temperature were moved from the Efficient Equipment Program to the Custom Incentive Program. PPL explained that these measures have highly variable and site-specific savings, and therefore, are not suitable for the Technical Reference Manual (TRM) and are considered custom measures by the Statewide Evaluator. Accordingly, PPL submitted that these measures belong in the Custom Measures Program where a rebate can be directly proportional to site-specific savings, assuming the measures are cost effective. February 2011 Plan at 4 and 143-144. PPL St. No. 5 at 27.

### 4. Measures Deleted from the Efficient Equipment Program

PPL stated that the water heater setback was deleted from the Efficient Equipment Program because sustainability cannot be reasonably verified. PPL explained that the water heater set-back is self reported by the customer and even if the installation is verified, there is no assurance that the set-back will not be bypassed by the customer. Accordingly, PPL submitted that there is not an approved protocol for this measure in the TRM and it is unlikely a protocol would be approved by the Statewide Evaluator. February 2011 Plan at 4 and 144. PPL St. No. 5 at 26.

### 5. Modifications to the Load Curtailment Program and Direct Load Control Program

This last category of Plan changes include an increase in the peak load reductions from the Load Curtailment Program and a deferral of the Direct Load Control and Load Curtailment Programs.

1. PPL has increased the projected peak load reductions in the Load Curtailment Program 100 MW to 150 MW. PPL explained that, based on the bids it received from Conservation Service Providers (CSPs), these increased peak load reductions can be achieved within the original budget for this program. February 2011 Plan at 4 and 183.
2. PPL has deferred launching the Direct Load Control Program from January 2010 to “late 2010/early 2011.” PPL stated that the CSP bidding process and contract award is taking much longer than expected, partly because of changes to the TRM and the protocols for determining load reductions. PPL averred, that under Act 129, load reductions are not required before June 2012 and there is no benefit to paying incentives before the summer of 2012. PPL submitted that the CSP will have sufficient time to recruit customers and implement load reductions by the summer of 2012 if the contract is awarded by January 2011. February 2011 Plan at 5 and 105.
3. For the same reasons cited for the deferral of the Direct Load Control Program, *supra*, PPL has also deferred the launching of the Load Curtailment Program from January 2010 to “late 2010/early 2011.” February 2011 Plan at 5 and 186.

# IV. Discussion

In Commission proceedings, the proponent of a rule or order bears the burden of proof. 66 Pa. C.S. § 332(a). To satisfy that burden, the proponent of a rule or order must prove each element of its case by a preponderance of the evidence. *Samuel J. Lansberry, Inc. v. Pa. PUC*, 578 A.2d 600 (Pa. Cmwlth. 1990) *alloc. denied*, 529 Pa. 654, 602 A.2d 863 (1992). A preponderance of the evidence is established by presenting evidence that is more convincing, by even the smallest amount, than that presented by the other parties to the case. *Se-Ling Hosiery v. Margulies*, 364 Pa. 45, 70 A.2d 854 (1950). Additionally, this Commission’s decision must be supported by substantial evidence in the record. More is required than a mere trace of evidence or a suspicion of the existence of a fact sought to be established. *Norfolk & Western Ry. Co. v. Pa. PUC,* 489 Pa. 109, 413 A.2d 1037 (1980).

In this case, PPL is asking the Commission for approval to make changes to its approved September 2010 Plan. PPL therefore bears the burden of proving, by a preponderance of the evidence, that the proposed modifications to its EE&C Plan result in a Plan that continues to satisfy the requirements of Act 129 and the prior related Orders of the Commission.

We note that any issue we do not specifically address herein has been duly considered and will be denied without further discussion. It is well settled that we are not required to consider expressly or at length each contention or argument raised by the parties. [Consolidated Rail Corporation v. Pa. PUC, 625 A.2d 741 (Pa. Cmwlth., 1993);](file://C:\research\buttonTFLink?_m=69761b6202cb4178e2a6e6fe02f5751b&_xfercite=%3ccite%20cc=%22USA%22%3e%3c!%5bCDATA%5b2000%20Pa.%20PUC%20LEXIS%2067%20%5d%5d%3e%3c\cite%3e&_butType=3&_butStat=242&_butNum=5&_butInline=1&_butinfo=%3ccite%20cc=%22USA%22%3e%3c!%5bCDATA%5b625%20A.2d%20741%5d%5d%3e%3c\cite%3e&_fmtstr=FULL&docnum=5&_startdoc=1&_startchk=1&wchp=dGLSzS-lSlbz&_md5=ad2b02d95c2a9216e83b92a3570d4785) see also, generally, [University of Pennsylvania v. Pa. PUC, 485 A.2d 1217 (Pa. Cmwlth., 1984).](file://C:\research\buttonTFLink?_m=69761b6202cb4178e2a6e6fe02f5751b&_xfercite=%3ccite%20cc=%22USA%22%3e%3c!%5bCDATA%5b2000%20Pa.%20PUC%20LEXIS%2067%20%5d%5d%3e%3c\cite%3e&_butType=3&_butStat=242&_butNum=6&_butInline=1&_butinfo=%3ccite%20cc=%22USA%22%3e%3c!%5bCDATA%5b485%20A.2d%201217%5d%5d%3e%3c\cite%3e&_fmtstr=FULL&docnum=5&_startdoc=1&_startchk=1&wchp=dGLSzS-lSlbz&_md5=9b1cc8319afd12440738bb82d74455ef)

As indicated *supra*, Comments on the February 2011 Plan were filed by PPLICA and SEF, and PPL filed Reply Comments. The following discussion addresses those Comments and Reply Comments as well as our findings regarding the February 2011 Plan.

## A. Out of Time Comments

In our *January 2011 Order*, we directed PPL to file a revised EE&C Plan within thirty days and provided that interested parties may submit recommendations or comments within twenty days following the submission of the revised Plan. *January 2011 Order* at 27. PPL filed the Plan on February 28, 2011 thereby establishing a
March 21, 2011 deadline for comments.

SEF submitted its Comments on March 22, 2011. SEF acknowledges that its Comments were out of time and requests that the Commission exercise its discretion and consider the Comments. SEF avers that good cause exists for such consideration since its late-filed Comments will not disrupt the proceeding and will not prejudice any party to the proceeding. SEF Comments at 1.

PPL recommends that SEF’s Comments be rejected for being out of time. PPL states that SEF’s Petition to Intervene in this proceeding was granted by ALJ Colwell on July 29, 2009. PPL submits that following the filing of the September 2010 Plan, SEF has not filed any pleading and did not appear at the hearing held on November 17, 2011. PPL avers that SEF chose to remain silent on the September 2010 Plan despite being served all of the documents filed by PPL. PPL Reply Comments at 17-19.

We will address SEF’s late-filed comments. However, as noted by PPL, SEF did not pursue its concerns in our proceedings conducted to address PPL’s September 2010 Plan. As reflected in our discussion *infra*, a more thorough empirical record may have enhanced our ability to address SEF’s recommendations.

## B. 50 MW Increase in the Large C&I Load Curtailment Program

PPL’s Load Curtailment Program for Large C&I customers and Government/Non-profit customers targets customers with monthly demand of at least 100 kW who are able to curtail at least 15% or 30 kW (whichever is greater) of average load during summer peak periods. PPL’s initial objective was to obtain participation of at least 300 customers through 2013 with a total reduction of 98 MW. PPL explained that given the uncertainty of accurately predicting the top 100 peak load hours, PPL anticipated that it will need approximately 180 MW of participation averaging 50 hours of interruption each summer to achieve the peak reduction target. February 2011 Plan at 183.

PPL explained that, based on bids from its CSPs, PPL will be able to increase the projected peak load reduction by 50 MW to 150 MW[[6]](#footnote-6) with no increase in total program costs. PPL averred that, without the increased peak load reductions from the Load Curtailment Program, it will not likely be able to meet the reductions required by Act 129 because of projected shortfalls in other programs. For example, PPL submitted that the number of shopping customers is much higher than expected and, therefore, the demand reductions from default customers participating in the TOU rates result will be 51 MW less in demand reduction than originally projected for those customers. PPL also averred that changes in the TRM may result in peak load reductions that are lower than were initially projected when PPL’s Plan was first approved. PPL stated that, if it does not meet the load reduction targets established under Act 129, it would be subject to monetary penalties of $1 million to $20 million and its EE&C program would be taken over by the Commission. PPL Statement No. 5 at 29-30.

PPL estimated that the cost of accepting bids for 150 MW of load curtailment is approximately $3 million more than the cost of accepting bids for 100 MW. PPL stated that the $3 million equates to an average $2,500 for each of the 1,200 large C&I customers over the four-year duration of the EE&C Plan. PPL averred that this cost is minor considering that these customers’ typical monthly bills are hundreds of thousands of dollars. PPL argued that it would cost “significantly more” than $3 million to achieve 50 MW of peak load reduction from other demand response programs. PPL projected that it would cost between $10 and $16 million to add 50 MW to direct load control, $18 million to add 30 MW peak load reduction from the CFL program and $46 million to add 38 MW to the Efficient Equipment Program. *Id*. at 30-31. PPL submitted that in April 2010 it solicited suggestions from stakeholders on how to increase peak load reductions from other stakeholders and no suggestions were received as of September 15, 2010. *Id*. at 31.

PPLICA opposes the 50 MW increase in the Large C&I Load Curtailment Program target. PPLICA argues that PPL has failed to produce any evidence, “let alone substantial evidence,” that its TOU Program or any other program will underperform as claimed. PPLICA avers that, despite PPL’s claims that it will not likely meet its load reduction target, PPL has yet to adjust its peak load reduction targets from any of its EE&C programs in its Plan. PPLICA points out that Table 5 of PPL’s February 2011 Plan shows a 334 MW reduction without the additional 50 MW from the Large C&I Load Curtailment Program. PPLICA states that 334 MW is still 37 MW above the 297 MW statutory minimum and by adding the 50 additional MW, PPL is now asking that the Plan be designed to have an 87 MW “cushion.” PPLICA Comments at 5-6 and 11.

PPLICA also argues that the fact that PPL can obtain 50 MW of additional peak load reductions within the original budget does not make this proposal “*per se* reasonable.” PPLICA points out that the Large C&I Load Curtailment Program has a benefit cost ratio of less than one and PPLICA states that PPL should not rely on the second least cost-effective program. PPLICA submits that there are programs applicable to residential and small commercial sectors that are far more efficient for each dollar spent. PPLICA concludes that to allow PPL “to increase the reliance on a cost-ineffective program simply because it is the easiest solution for the alleged underperformance of other measures is likely not the optimum method to obtain the most-cost effective demand reductions.” *Id*. at 7-8.

In its Reply Comments, PPL explains that it did not show the reduced peak load forecasts for the TOU and other programs in its February 2011 Plan because that Plan only reflects changes that are on the record of this proceeding and those specific details are not on the record. PPL avers that, in its pre-filed testimony and at the hearing held on November 17, 2010, PPL presented substantial evidence to support the requested change in the Load Curtailment Program. PPL also argues that the ALJs that presided over this proceeding analyzed the record evidence and determined that PPL presented substantial evidence supporting the change to the Load Curtailment Program. PPL Reply Comments at 6-7.

PPL argues that, although a full record has been developed in this proceeding upon which the Commission can act, to the extent that the Commission allows PPLICA to re-litigate the facts of this proceeding, PPL is compelled to respond to the assertions raised in the PPLICA Comments. PPL submits that, as of March 2011, participation in the TOU program is approximately 19,000 participants and current pricing strongly encourages TOU participation. PPL explains that, while it cannot predict the exact participation rate in the June – September 2012 compliance period, PPL now projects that participation levels will be about 20,000 participants resulting in a decrease in the original projected 61 MW demand reduction by about 53 MW. PPL states that it now anticipates that the peak load reductions from energy efficiency measures will be 21 MW less than originally projected. PPL avers that based on these revised estimates, the total load reductions declines from 334 MW to approximately 260 MW, which is 37 MW short of the 297 MW reduction required by Act 129. *Id*. at 9-12.

PPL also argues that the likelihood of achieving additional MW from other program measures is much less certain than achieving 50 MW from the Load Curtailment program. For example, PPL explains that there may be major market saturation challenges to getting more MW from direct load control or it may not be possible to double the number of CFLs in the available time frame. PPL avers that those uncertainties do not exist for load curtailment because PPL will have a contract with a CSP for firm load curtailment, with penalties for non-compliance. PPL states that it will know well before June 2012, that a CSP is on track enrolling load curtailment customers.
*Id*. at 14.

PPL avers that actions must be taken immediately in order to add the additional 50 MW to the Load Curtailment Program in time for the summer 2012 peak load compliance period. PPL states that if it knew what it knows today when it prepared the original EE&C Plan, it would have included substantially lower peak load reductions from the TOU and energy efficiency measures and would have included 150 MW for the Load Curtailment Program. *Id*. at 17.

Part of the difficulty in addressing PPL’s proposal to increase the demand reduction from its Load Curtailment Program is that not all of the changes in PPL’s projections are reflected in the February 2011 Plan. For example, on Table 5a, PPL reflects the 50 MW increase in the peak load reduction from its Load Curtailment Program but does not reflect some of the projected offsetting declines in demand reductions from other programs such as TOU Rates and energy efficiency programs. February 2011 Plan at 27.

As stated *supra*, PPL explains that it did not show the reduced peak load forecasts for the TOU and other programs in its February 2011 Plan because that Plan only reflects changes that are on the record of this proceeding and those specific details are not on the record. PPL Reply Comments at 7. Not all of the changes to EDC EE&C Plans will be addressed through an on-the-record proceeding. The Commission and interested parties will rely, at least initially, on the information contained in EE&C Plans to address the appropriateness of Plan revisions. Therefore, going forward, PPL must include *all* changes to its Plans, including forecasts of costs, participation, and energy and demand reductions when it files Plan revisions. Clearly, as in this case, if PPL is proposing changes to program measures because of changing expectations of other measures, all of the EDC’s latest expectations must be reflected in the Plan.

Although not reflected in its Plan, we will accept PPL’s projections that its TOU Program and the energy efficiency measures will not achieve the 2012 peak load reductions that were initially projected. PPL’s most recent projection presented in its Reply Comments is that its current program measures, excluding the expansion of the

Load Control Program, will fall about 37 MW short of the 2012 peak load reduction of 297 MW mandated by 66 Pa. C.S. § 2806.1(d)(1) and our *Target Order*. PPL Reply Comments at 11-12.

PPLICA notes that the Load Curtail Program has a benefit/cost ratio of less than one and that there are other residential and small commercial programs that are more efficient for each dollar spent. PPLICA Comments at 8. While we concur with PPLICA it would be preferable to achieve the required load reductions through programs with a higher benefit-cost ratio, we are persuaded by PPL’s arguments that it is unlikely that PPL will be able to meet the 2012 peak demand reduction levels through the expansion of other programs at a lower incremental cost. Consequently, we will approve PPL’s proposal to expand its Load Curtailment program by 50MW as set forth in its February 2011 Plan.

By approving the expansion of PPL’s Load Curtailment Program at this juncture, we are not sending a signal that a benefit-cost ratio of less than one may be appropriate for large demand reduction programs in the future. We recognize that PPL’s instant Load Curtailment Program is designed to achieve the required demand reductions for the June 1, 2012 through May 31, 2013 period, and that a one-year program may not accrue all of the benefits that similar demand reductions would realize over a longer time period. To the extent that future demand reduction requirements may be established pursuant to 66 Pa. C.S. § 2806.1(d)(2), we strongly urge PPL and its stakeholders to develop demand reduction programs that are more cost-effective.

The concerns over the benefit/cost ratio of the Load Curtailment Program highlight the importance of a robust bidding process for the incremental 50 MW of curtailable load. Accordingly, we encourage PPL to competitively bid the incremental 50MW of the Load Curtailment Program load to multiple CSPs as to assure ratepayers are paying the lowest competitive cost for the additional load reductions. The issue of CSP participation in the Load Curtailment Program was raised in our investigation of the September 2010 Plan and we instructed the Commission staff to carefully review the RFP process and resulting contracts when they are submitted for our review to ensure that the bid process was fair and open to all CSPs. *January 2011 Order* at 22. We shall renew these instructions to the Commission staff for any contracts that are submitted for the Load Curtailment Program.

## C. Rebate Cap and Additional Funding for Renewable Energy Measures

PPL’s July 2009 Plan provided a $2 per watt incentive for customers installing PV arrays and $217 per ton incentive for customers installing a ground source heat pump. In its February 2011 Plan, PPL proposed that the PV incentive be capped at $5,000 per residential customer and $500,000 per institutional customer. Similarly, PPL proposed that the incentive cap on ground source heat pumps be capped at $1,200 for residential customers, $6,510 per institutional site and $30,000 per institutional parent company. February 2011 Plan at 98. PPL explained that the size and number of projects were greater than expected and that the cost of PV installations has recently fallen. PPL stated that proposed caps allow more projects to receive incentives and prevents a few, very large projects from consuming all of the program funding. PPL also noted that the PV portion of the renewable program was closed in March 2010 because it was fully subscribed. PPL St. No. 5 at 18-19.

SEF argues that the proposed caps are too small to promote residential PV arrays and recommends that the caps be expanded or removed entirely. SEF states that, while a $500,000 incentive for institutional customers covers a very large commercial system, the $5,000 residential cap only covers a 2.5 kW system. SEF avers that this size system is nowhere close to what residential customers are installing. SEF submits that, according to the Pennsylvania Department of Environmental Protection's PA Sunshine Solar Program website, the median size of a residential PV system in Pennsylvania, as of February 2011, is 7.29 kWs. SEF concludes that the proposed cap is much too small to promote residential arrays. SEF Comments at 4-5.

PPL avers that, like rebates for all other measures, the PV rebate is not intended to cover 100% of the cost of a PV installation. PPL states that rebates are typically designed to cover 25% to 50% of a measure’s incremental costs to make installation of a PV system a more attractive option. PPL Reply Comments at 20.

SEF notes that the PV portion of the Renewable Energy Program was fully subscribed effective March 2010. SEF also recommends that more funds be allocated to continue the “highly successful program” rather than simply closing it down. SEF Comments at 5.

PPL avers that adding more funds to the Renewable Energy Program and reducing funding in another program will reduce the cost-effectiveness of its EE&C portfolio. PPL states that the Renewable Energy Program is one of the least cost-effective programs in its Plan. PPL argues that SEF’s recommendation should be rejected because it fails to provide any quantitative information or justification such as how the funding should be increased, what other funding should be decreased to make funding available for the Renewable Energy Program and the impact on the EE&C portfolio’s cost-effectiveness. PPL Reply Comments at 21.

We concur with PPL that the incentives offered under the Plan are intended to make renewable energy measures more attractive and are not designed to cover the entire cost of a measure. Considering that the size and number of renewable projects have been greater than initially anticipated, we will approve PPL’s proposed caps on its renewable incentives in order to give more customers an opportunity to participate.

The record currently before us does not support the additional funding of the PV component or the removal of the proposed caps as recommended by SEF. For example, PPL’s February 2010 Plan indicates that the benefit-cost ratio for the Renewable Energy measures ranges between 1.1 -1.5 over the various customer classes. February 2011 Plan at 27, 262-273. It appears that, if PPL were to make significant increases in the incentives paid to customers, the costs to implement this program could begin to exceed the benefits. Moreover, the fact that portions of the Renewable Energy Program were fully subscribed by March 2010, suggests that the incentives were more than adequate at that time. To the extent that there are EE&C funds available,[[7]](#footnote-7) we recommend that SEF and other interested stakeholders work with PPL to assess whether the additional incentives can be offered in a manner that preserves or enhances the cost-effectiveness of the Renewable Energy Program.

## D. Incentives for Comprehensive Residential Audits

Initially, PPL’s Plan provided a $100 rebate for a whole-house energy audit conducted by a certified energy auditor if the customer had either electric heat or an electric cooling system. The rebate is $250 if the customer has both electric heating and cooling. PPL proposed increasing the rebate from $100 to $150 for customers with either electric heating or cooling. February 2011 Plan at 2 and 72. PPL St. No. 5 at 19.

SEF recommends that the audit incentive not be increased to $150 without offering a $150 incentive for those customers that do not have either electric heat or cooling. SEF avers that these customers “use a lot of electricity” and are a significant percentage of PPL’s customers. SEF states that these customers recently experienced a distribution rate increase which increased the costs under the TRC tests. SEF argues that these customers should be eligible for the $150 incentive for a comprehensive energy audit to provide them with opportunities to reduce their energy costs and increase their energy efficiency. As an alternative to the $150 incentive for a comprehensive energy audit, SEF submits that these customers should at least receive a $50 incentive for a walk-through audit. SEF Comments at 5-6.

PPL avers that the basic premise of Act 129 is to reduce electric energy usage and peak demand. PPL opposes the extension of audit rebates to non-electric heating or cooling customers because there are no Act 129 savings or benefits associated with reduction of non-electric devices such as heating systems fueled by oil, gas, or propane. PPL submits that residential customers that do not have electric heat or cooling are eligible for incentives in every residential program except direct load control. PPL Reply Comments at 21-22.

While the residential energy audits will address lighting and electricity consuming appliances, SEF has not provided any evidence that potential benefits from customers that do not use electricity for heating or cooling exceed the cost of the audit incentives. Considering that the Residential Energy Assessment and Weatherization Program for electric heating and cooling customers has a TRC Ratio of 1.23, it is not apparent that extending this program to customers that do not use electricity to heat or cool their homes would be cost-effective. February 2011 Plan at 263. Moreover, as indicated by PPL, there are numerous other educational and incentive measures in the Plan for customers that do not have electric heat or cooling. Accordingly, we will approve the Energy Assessment and Weatherization Program as set forth in the February 2011 Plan.

## E. Residential Thermal Storage Rate Fuel Switching

PPL’s RTS rate required customers to install a meter controlled thermal storage system with sufficient storage capacity to carry the heating load of the home for a ten-hour period during the day time. PPL explains that the RTS rate will be completely phased out on January 1, 2012. PPL’s Plan initially contained a $550 incentive for RTS customers to switch to a high-efficiency gas furnace. The February 2011 Plan modified the incentive to include oil or propane high efficiency furnaces. PPL submitted that incentive was intended to promote a cost-effective alternative that would utilize the same ductwork that is installed in many RTS homes. PPL Reply Comments at 22.

SEF proposes that the rebate should also be extended to renewable resources. SEF argues that a basic tenet of all fuel switching programs should be fuel neutrality and PPL’s incentives “clearly economically advantages” only fossil fuels. SEF recommends that PPL be required to provide BTU-equivalent rebates for all competing renewable technologies listed in Tier 1 of the Alternative Energy Portfolio Standards Act. SEF Comments at 6.

PPL avers that a $550 rebate would be an insufficient incentive for customers to install a Tier 1 technology given the total cost of a Tier 1 system versus a high efficiency furnace. PPL argues that Tier 1 technologies “do not readily or cost-effectively” lend themselves to home heating applications, with the exception of ground source heat pumps which are offered an incentive under the Plan. PPL Reply Comments at 22.

The alternative energy sources applicable to the Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1648.1-1648.8, were intended for the “production of electricity” and are set forth in our Regulations at 52 Pa. Code § 75.1. Reviewing the list of alternative energy sources applicable to the Alternative Energy Portfolio Standards Act, “biomass energy” and “geothermal energy” might be broadly interpreted as applicable to residential heating applications. An incentive for ground source heat pumps that utilize a form of geothermal energy is already available under the Plan. February 2011 Plan at 98. However, there is no information on the record of this proceeding whether another Tier 1 technology would be readily adaptable to an existing home heating application or whether PPL could offer a cost-effective incentive for a Tier 1 technology. Accordingly, we will approve the fuel switching incentive for RTS customers as modified by PPL in the February 2011 Plan. SEF can work PPL and other stakeholders to explore cost-effective options for Tier 1 technologies.

## F. Tracking Low-Income Participation

At our April 12, 2010 Public Meeting, the Commission adopted a Secretarial Letter at Docket No. M-2009-2146801 (*April 2010 Secretarial Letter*) that, *inter alia*, released the LIWG Report[[8]](#footnote-8) and adopted the recommendations contained in the Report. The LIWG Report, *inter alia*, contained data to determine the number of low-income measures each EDC must implement to meet the “proportionate number” criterion of Act 129. LIWG Report at 5-7. The LIWG Report also stated that EDCs must report on a quarterly basis, actual energy reductions from each customer sector, including the low-income sector, and each sector’s proportion of the total energy reductions.
*Id*. at 8.

In its direct testimony filed in support of its September 2010 Plan, PPL explained that, unlike most other EE&C programs, customers purchasing discounted CFLs receive discounts at the point of sale and neither the vendor nor PPL is aware of the specific customers who purchase the CFLs. PPL St. No. 5 at 4. Accordingly, we granted PPL a waiver from reporting energy savings from each customer class for the retail CFL program. However, we also directed PPL to address, as part of its Revised Plan, whether other changes to its Plan are warranted to meet the provisions of the LIWG Report. *January 2011 Order* at 12.

In its February 2011 Petition, PPL stated that, since it is not feasible to track low income customers’ participation in non-low income programs, PPL will not accrue energy and demand savings to the low-income sector when they participate in non low-income programs. PPL explained that in those situations, the energy and demand savings will accrue to the customer sector for the rate class which will typically be residential. February 2011 Petition at 14.

The LIWG Report stated that, while the data on actual energy reductions by sector will not be used to determine compliance with Act 129, it may be used to gauge the effectiveness of programs for low income households and may serve as the basis for adjustments to EE&C plans in the future. LIWG Report at 7-8. We believe there may be low-cost means for PPL to estimate low-income participation in EE&C measures that are available to all customers. For example, PPL’s Efficient Equipment, Residential Energy Assessment and Weatherization, Appliance Recycling, Direct Load Control, Renewable Energy, Time of Use, Energy Efficiency and Behavior programs all require the customer account number and address for participation. This account information may enable an EDC to identify low-income participants. To facilitate the development of this data, we direct PPL to work with the Commission’s Bureau of Consumer Services and Bureau of Conservation, Economics and Energy Planning to develop the methodology to generate estimates of low income participation across all relevant EE&C measures. The objective of this collaboration is for PPL to include these estimates in its future annual EE&C reports to the Commission. This collaboration shall begin within thirty days of the date of entry of this Opinion and Order and these estimates shall begin to appear in PPL’s next Act 129 Annual Report.

## G. Flexibility to Make Minor EE&C Plan Modifications

As reaffirmed in our *January 2011 Order*, all proposed changes to an EDC’s EE&C Plan must be presented to and approved by the Commission. *January 2011 Order* at 13-19. PPL stated that, while it does not request that the Commission revise its determination in the *January 2011 Order,* it encourages the Commission to revise its standard to give the EDCs the flexibility to make minor modifications to their Plans. PPL proposed that the Commission should maintain its authority over changes that would result in a shift in EE&C funds within a customer class, a shift in funds between customer classes and the discontinuation of a program.

February 2011 Petition at 4-6.

The Commission recognizes that delays in obtaining approval of EE&C Plan changes could increase the cost of administering such plans and may cause the EDCs and their customers to miss opportunities for timely and cost-effective implementation of energy efficiency measures. By Tentative Order entered April 1, 2011, at Docket No. M-2008-2069887 (*Tentative Order*), the Commission has released for comment an expedited process for review of specific minor EE&C Plan changes. The *Tentative Order* was served on all EDCs, including PPL, and PPL can address its position regarding minor plan modifications in its Comments filed in response to the *Tentative Order*.

# V. Conclusion

For the reasons set forth *supra*, we will grant PPL’s February 2011 Petition, consistent with this Opinion and Order. In order to implement the recommendations of the LIWG Report, PPL is directed to work with the Commission’s Bureau of Consumer Services and Bureau of Conservation, Economics and Energy Planning to develop estimates of low-income participation in program measures not specifically targeted to low-income customers; **THEREFORE:**

**IT IS ORDERED:**

1. That the Petition of PPL Electric Utilities Corporation for Approval of Changes to its Act 129 Energy Efficiency and Conservation Plan, filed February 28, 2011, is granted, consistent with this Opinion and Order.
2. That PPL Electric Utilities Corporation is permitted to implement its Act 129 Energy Efficiency and Conservation Plan, as filed on February 28, 2011, consistent with this Opinion and Order.
3. That PPL Electric Utilities Corporation is directed to work with the Commission’s Bureau of Consumer Services and Bureau of Conservation, Economics and Energy Planning to develop estimates of participation by low-income customers in Energy Efficiency and Conservation Plan measures not specifically targeted to low-income customers.
4. That the estimates of participation by low-income customers to be developed pursuant to Ordering Paragraph No. 3, *supra*, shall be presented by PPL Electric Utilities Corporation in future annual reports that are required by the Commission’s Opinion and Order entered January 16, 2009, at Docket No.
M-2008-2069887, *In re: Energy Efficiency and Conservation Program.*
5. That any directive, requirement or disposition contained in the body of this Opinion and Order, that is not the subject of a individual Ordering Paragraph, will have the same force and effect as if fully contained in this part.

**BY THE COMMISSION,**

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Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: May 5, 2011

ORDER ENTERED: May 6, 2011

1. As discussed *infra*, SEF’s Comments were filed one day out of time. [↑](#footnote-ref-1)
2. More complete descriptions of: (1) Act 129; (2) the Commission’s various Act 129 proceedings; (3) PPL’s prior EE&C Plans; and (4) the Commission’s review and approval of PPL’s prior EE&C Plan were set forth in our Opinions and Orders at this docket entered October 26, 2009, February 17, 2010 and January 27, 2011. [↑](#footnote-ref-2)
3. A more complete history of the proceedings related to PPL’s EE&C Plan filed on September 15, 2010, is presented in our Opinion and Order entered January 28, 2011, at 4-7, at this docket. [↑](#footnote-ref-3)
4. Although UGI filed Comments on October 15, 2010, entitled *Recommendations for Plan Improvement* at this docket, UGI was not an active participant in that it did not appear at either the prehearing conference or the hearing in this matter. [↑](#footnote-ref-4)
5. Specific energy savings and demand reduction requirements were established for each EDC in our Opinion and Order entered March 30, 2009 at Docket No. M-2008-2069887, *In re*: *Energy Consumption and Peak Demand Reduction Targets (Target Order)* at 3 and 5*.*  [↑](#footnote-ref-5)
6. PPL’s February 2011 Plan reflects a 50MW increase from 98 MW to 148MW. February 2011 Plan at 183. [↑](#footnote-ref-6)
7. PPL’s February 2011 Plan indicates that all of the $246 million permitted under the Act 129 spending cap have been allocated. February 2011 Plan at 27. However, as discussed *supra*, not all the projected reductions in the participation rates for some of the measures have been reflected in the Plan. [↑](#footnote-ref-7)
8. Among the broad spectrum of participants, PPL and the other Pennsylvania EDCs were members of the LIWG. A list of all LIWG members is set forth in the *April 2010 Secretarial Letter* at 2. [↑](#footnote-ref-8)