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| PUC logo | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE**  M-2008-2069887 |

**May 25, 2011**

TO ALL INTERESTED PARTIES:

Re: Energy Efficiency and Conservation Program

Docket No. M‑2008‑2069887

In the *Implementation Order* entered January 16, 2009, at the above-referenced docket number, the Pennsylvania Public Utility Commission (Commission) established standards and procedures for the submittal, review and approval of all aspects of electric distribution company (EDC) energy efficiency and conservation (EE&C) plans, in accordance with Act 129 of 2008 (Act 129). The Commission noted in the *Implementation Order*[[1]](#footnote-1) that Act 129 requires EDCs to submit annual reports documenting the effectiveness of their EE&C plans, the measurement and verification of energy savings, the evaluation of the cost‑effectiveness of expenditures and any other information required by the Commission.[[2]](#footnote-2) While the *Implementation Order* did not clearly delineate when the annual reports were to be submitted, it did note that, as the first annual reports were not due until 2010, the Commission would address the annual report filing requirements in a subsequent order.[[3]](#footnote-3)

The Commission, by Secretarial Letter issued on June 24, 2010, provided guidance regarding the 2010 Act 129 annual reporting requirement. Specifically, the Commission directed the EDCs to submit their 2010 Act 129 annual reports and any proposed EE&C plan revisions by September 15, 2010. In addition, the Commission reiterated the procedures for reviewing proposed EE&C plan revisions as set forth in the *Implementation Order*.[[4]](#footnote-4) Finally, the Commission stated that the directives in the June 24, 2010 Secretarial Letter only applied to the Act 129annual reporting requirement for 2010. By this Secretarial Letter, the Commission is providing additional guidance to EDCs regarding future Act 129 annual reporting requirements, as well as guidance on quarterly reporting requirements.

For the remainder of the current Act 129 program period,[[5]](#footnote-5) the Commission directs the EDCs to submit two Act 129 annual reports per program year. The first annual report, due July 15, will be a preliminary report. The preliminary report will provide each EDC’s reported savings for its EE&C portfolio for that program year. The reported savings will be based on tracking system estimates and will be for projects installed and commercially operable as of May 31 of the reporting year. By submitting a preliminary annual report on July 15, the EDCs will be providing the Commission with an initial look at savings information so the Commission can begin its work in determining compliance with Act 129 EE&C goals.

The Commission recognizes that collecting verified savings data takes a significant amount of time. Therefore, the second report, a final annual report, will be due November 15 of each year. The final annual report will provide verified savings for the EDC’s EE&C portfolio for that program year, the cost-effectiveness evaluation (Total Resource Cost Test), the process evaluation, as well as items required by Act 129[[6]](#footnote-6) and Commission Orders. The Commission believes that the November 15 submission deadline will allow EDCs adequate time to compile, verify and analyze the data necessary to determine the effectiveness of their EE&C plans, to verify energy savings, to collect all necessary documentation and to evaluate the cost‑effectiveness of plan expenditures.

In addition to the annual reports, the Commission directs the EDCs to file quarterly reports for the first three quarters of each reporting year. A copy of these reports shall also be provided to the Act 129 Statewide Evaluator (GDS Associates, Inc.). These reports will be due 45 calendar days from the end of the respective quarter.[[7]](#footnote-7) Due to the preliminary annual report’s deadline of July 15, the Commission directs that fourth quarter reporting information be included in the preliminary annual report.

The preliminary annual reports, final annual reports and quarterly reports shall be filed with the Commission’s Secretary and the Act 129 Statewide Evaluator within the time lines outlined above. The Commission directs the EDCs to post all reports on their websites. The Commission will also post these reports on its website for public access.[[8]](#footnote-8)



Sincerely,

Rosemary Chiavetta

Secretary

cc: Chairman’s Office

Vice Chairman’s Office

Commissioners’ Office

Karen Oill Moury, Director of Operations

Bohdan R. Pankiw, Chief Counsel

Robert F. Young, Deputy Chief Counsel

Wayne L. Williams, Director, Bureau of Conservation, Economics and Energy Planning

1. *Implementation Order* at 13 and 14. [↑](#footnote-ref-1)
2. See 66 Pa. C.S. § 2806.1(i)(1). [↑](#footnote-ref-2)
3. *Implementation Order* at 14. [↑](#footnote-ref-3)
4. *Implementation Order* at 23 and 24. [↑](#footnote-ref-4)
5. The current Act 129 program period ends November 30, 2013, by which date the Commission must set new incremental reduction targets if the program is cost effective. [↑](#footnote-ref-5)
6. See 66 Pa. C.S § 2806.1(i)(1). [↑](#footnote-ref-6)
7. The quarterly reports for quarters 1, 2 and 3 will be due October 15, January 15 and April 15, respectively. [↑](#footnote-ref-7)
8. <http://www.puc.state.pa.us/electric/Act129/Act129_SWE.aspx> [↑](#footnote-ref-8)