



800 North Third Street, Suite 205, Harrisburg, Pennsylvania 17102
Telephone (717) 901-0600 • Fax (717) 901-0611 • www.energypa.org

October 28, 2011

VIA HAND-DELIVERY

Rosemary Chiavetta, Esq., Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, Pennsylvania 17120

RECEIVED
2011 OCT 28 PM 1:09
PA PUC
SECRETARY'S BUREAU

**RE: COMMENTS of THE ENERGY ASSOCIATION of PENNSYLVANIA
IMPLEMENTATION OF THE ALTERNATIVE ENERGY PORTFOLIO
STANDARDS ACT OF 2004: STANDARDS FOR THE PARTICIPATION OF
DEMAND SIDE MANAGEMENT RESOURCES –
TECHNICAL REFERENCE MANUAL 2012 UPDATE
(Tentative Order at Docket No. M-00051865)**

Dear Secretary Chiavetta:

Enclosed for filing please find an original and 3 copies of the Energy Association of Pennsylvania's Comments in the above-referenced docket.

Sincerely,

Donna M. J. Clark
Vice President and General Counsel

CC: Robert F. Powelson, Chairman
John F. Coleman, Vice Chairman
Pamela A. Witmer, Commissioner
Wayne E. Gardner, Commissioner
James H. Cawley, Commissioner
Gregory A. Shawley (via electronic mail to gshwawley@pa.gov)
Kriss Brown, Esq. (via electronic mail to kribrown@pa.gov)



BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED
2011 OCT 28 PM 1:10
PA PUC
SECRETARY'S BUREAU

Implementation of Alternative Energy :
Portfolio Standards Act of 2004: : Docket No. M-00051865
Standards for the Participation of :
Demand Side Management Resources – :
Technical Reference Manual 2012 Update :

COMMENTS OF THE
ENERGY ASSOCIATION OF PENNSYLVANIA
TO THE 2012 TRM ANNUAL UPDATE
TENTATIVE ORDER

Introduction

In conjunction with the Alternative Energy Portfolio Standards Act of 2004 (“AEPS Act”), 73 P.S. §§ 1648.1-1648.8, the Pennsylvania Public Utility Commission (“PUC” or “Commission”) adopted a Technical Reference Manual (“TRM”) to be used as a standard for tracking and verifying utility Demand Response/Energy Efficiency (“DR/EE”) measures undertaken for purposes of complying with the AEPS Act.¹

In January 2009, pursuant to the Act 129 Energy Efficiency and Conservation (“EE&C”) Program Implementation Order,² the Commission determined that it would rely upon the TRM to

¹ See *Energy Efficiency & DSM Rules for Pennsylvania’s Alternative Energy Portfolio Standard. Technical Reference Manual. Order at PUC Docket No. M-00051865, entered on October 3, 2005.*

² See *Energy Efficiency and Conservation Program Implementation Order, at PUC Docket No. M-2008-2069887, entered on January 16, 2009.*

measure and verify applicable DR/EE measures employed by electric distribution companies (“EDCs”) to meet Act 129 consumption reduction and peak demand reduction targets. *See Implementation Order at pp. 13-15.* The Commission recognized the importance of updating the TRM on an annual basis³ and directed its Bureau of Technical Utility Services (“TUS”), formerly the Bureau of Conservation, Economics and Energy Planning (“CEEP”), to oversee the annual TRM review and update process.

On September 23, 2011, the Commission issued the instant 2012 TRM Annual Update Tentative Order for public comment, providing a twenty day comment period upon publication of the 2012 Tentative Order in the *Pennsylvania Bulletin* followed by a ten day period for reply comments.⁴ The 2012 Tentative Order was published in the *Pennsylvania Bulletin* on October 8, 2012, establishing a due date for comments on October 28, 2012. The Association welcomes the opportunity to comment on the proposed 2012 TRM modifications and additions and submits these comments on behalf of its member electric distribution companies (“EDCs”) subject to Act 129.⁵

Comments

With respect to the majority of the changes proposed in the 2012 TRM Annual Update Tentative Order, EAP refers the Commission to the modifications and/or clarifications suggested by the Association’s member EDCs subject to Act 129. In addition, EAP offers the following recommendation regarding the newly-included Section 4, “Demand Response” in the proposed

³ *See Implementation of the Alternative Energy Portfolio Standards Act of 2004: Standards for the Participation of Demand Side Management Resources – Technical Reference Manual Update.* Order at PUC Docket No. M-00051865, entered on June 1, 2009 at pp. 17-18.

⁴ *Implementation of the Alternative Energy Portfolio Standards Act of 2004: Standards for the Participation of Demand Side Management Resources – Technical Reference Manual 2012 Update.* at Docket No. M-00051865, entered September 23, 2011.

⁵ Duquesne Light Company; Metropolitan Edison Company; PECO Energy Company; Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities Corporation, and West Penn Power Company.

2012 TRM. Specifically, EAP suggests an amendment to the proposed guidance for determining the 100 hours of highest peak load (Section 4.2) which will be used by EDCs to meet their DR obligations under Act 129 during the 2012 performance period (June 1, 2012 through September 30, 2012). EAP recommends adding the following language to Section 4.2 of the TRM:

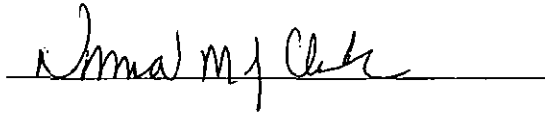
“The top 100 hours during June 1 – September 30 shall exclude weekends, holidays, and all hours outside of the on-peak period defined as “Coincident Peak Demand Savings” in Table 1-1 (page 6 2012 Draft TRM) weekdays before 12:00 PM and weekdays after 8:00 p.m.”

The additional language closely mirrors the PJM definition of the “on-peak” period for DR Capacity programs, which is defined as the period 12:00PM – 8:00 PM (1200 – 2000), Monday - Friday (excluding holidays and weekends).⁶ Use of the on-peak period supports consistency in the TRM related to peak load reductions during the top 100 hours, and the Commission decision to utilize PJM protocols for measuring demand reduction as set forth in the Secretarial Letter RE: Energy Efficiency and Conservation Programs dated January 12, 2011 at Docket No. M-20080-2069887. EAP suggests that the TRM include a definition of “on-peak” which aligns with the PJM definition for clarification as a means of assuring consistent application across all EDC programs for the 2012 performance period. Further defining the on-peak period will also assist in the arduous effort of identifying the statutorily described “100 hours of highest demand” in an efficient and cost effective manner consistent with what has already been done to measure peak load reductions as a result of the implementation of energy efficiency measures (See Table 1-1 of the 2012 Draft TRM).

⁶ See PJM Manual 18 PJM Capacity Market Operations page 29.

EAP respectfully requests that the Commission modify the 2012 TRM to incorporate the above definition which aligns with the PJM standard definition for "on-peak" for use during the upcoming 2012 performance period i.e., June 1, 2012, through September 30, 2012.

Respectfully Submitted:



Donna M. J. Clark
Vice President & General Counsel
Energy Association of Pennsylvania
800 North Third Street, Suite 205
Harrisburg, PA 17102
(717) 901-0631
dclark@energypa.org

Dated: October 28, 2011

RECEIVED
2011 OCT 28 PM 1:10
PA PUC
SECRETARY'S BUREAU