



June 22, 2012

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

**Re: Act 129 Energy Efficiency and
Conservation Program Phase Two
Docket No. M-2012-2289411
M-2008-2069887**

Dear Secretary Chiavetta:

Tri-State Light & Energy, Inc. appreciates the opportunity to provide comments in response to the TENTATIVE IMPLEMENTATION ORDER for Act 129 Energy Efficiency and Conservation Program Phase Two under Docket No. M-2012-2289411.

Tri-State Light and Energy, Inc. ("Tri-State") is a privately owned, Pennsylvania corporation working as an energy efficiency contractor with over 25 years of experience in advanced lighting applications. We have been an active participant in completing energy efficiency projects funded through Act 129 and have qualified those projects for participation in the PJM capacity auctions through EMC Development Company, Inc ("EMC") for the benefit of our customers, the Pennsylvania ratepayers implementing the Energy Efficiency projects.

Tri-State is clearly committed to the long-term success of energy efficiency. It is the most environmentally benign source of electrical capacity; and we believe its provider's (owners and contractors of energy efficiency projects) and other Pennsylvania ratepayers completing EE projects should continue to be incented to provide this most environmentally desirable electrical capacity. Additionally, small businesses have been a vital economic growth engine for Pennsylvania. As a small business, we advocate implementation of Phase 2 of Act 129 to continue to fuel economic growth and job creation for Pennsylvania while providing the most environmentally desirable electrical capacity. Through the implementation of Phase 2 we also urge the Commission to consider the benefit EE aggregators like EMC provide to companies like ours and Pennsylvania ratepayers. Conversely, granting utilities capacity rights and the ability to offer these assets into PJM makes our job even harder.

And quite frankly, in Pennsylvania it is already hard enough. We encourage you to look across the river at New Jersey where our small business is doing *ten times* the business volume compared to our Pennsylvania sales. Why? Because New Jersey has figured out how to create incentive programs that are effective in motivating energy consumers to upgrade equipment and become energy efficient. Compared to programs in Pennsylvania, its an embarrassment.

We use the revenue available from capacity rights to help make energy efficiency projects attractive to the businesses and institutions we serve. This in turn helps the State of Pennsylvania to become more energy efficient. When you take this revenue away from the Pennsylvania ratepayer, you make it even harder for them to invest in becoming energy efficient.

Please do not hesitate to contact me should you wish to discuss any of the enclosed comments further.

Respectfully,

A handwritten signature in black ink, appearing to read "Al R. ...".

Tri-State Light & Energy, Inc.