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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

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- WILD RESOURCE CONSERVATION BOARD
- RULES COMMITTEE

June 22, 2012

Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
C/O: megagood@pa.gov and Kriss Brown at kribrown@pa.gov

RE: Docket No. M-2012-2289411

Dear Secretary:

I'm submitting comments for Docket No. M-2012-2289411, urging the adoption of the strongest possible cost-effective energy efficiency targets for Electric Distribution Companies (EDCs). In Phase II of Act 129, we need to build on the success we are realizing in Phase I to create more jobs, reduce pollution, and save money for Pennsylvania utility customers.

Phase I of Act 129 has been a tremendous success in its first two years, exceeding savings targets by 41 percent, creating more than 4,000 jobs in Pennsylvania and saving consumers \$278 million each year on their electricity bills – an 8-to-1 return on investment.

The Commission's proposal to scale back this successful program in the Tentative Implementation Order is a step in the wrong direction, specifically by lowering Phase II targets to 2.3 percent energy savings over the next three years, compared to 3 percent in the first 3 years of the program. The Tentative Implementation Order allows EDCs to carry over savings credits from Phase I, which further undermines Phase II savings while removing the requirement to reduce peak demand during times when electricity is most expensive and least efficient.

I disagree with your rationale to stave off the implementation of further demand response measures until a cost-benefit analysis has been completed. Numerous studies have been compiled on the subject, all of which demonstrate a direct benefit to consumers. When you consider the effects of congestion and transmission constraints on the price of power in the wholesale market, it's rather fundamental that reducing factors that contribute to escalating prices will ultimately reduce the overall price of power for consumers.

Pennsylvanians need the PUC to strengthen the Energy Savings Act Program in its second phase, not scale it back. By extending the current goal of 1 percent energy savings a year and preserving the peak demand reduction target of 1.5 percent annually, the program could save Pennsylvanians nearly \$1 billion on their annual electricity bills by 2018 as well as cut dangerous air pollution and create more than 14,000 jobs.

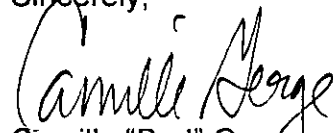
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Investing in energy efficiency is the cheapest way to deliver energy services to customers, especially when compared to the cost of building new power plants or installing expensive pollution controls for aging facilities. Every dollar invested in energy savings is multiplied through the economy, as it translates into spending power for consumers, new income associated with new jobs, and supply chain benefits as manufacturers produce the necessary parts and equipment for energy efficient technologies.

I urge you to strengthen Act 129, particularly by adopting stronger goals at or above the current level of 1 percent energy savings per year, and preserving the peak demand reduction program currently in place. Now is the time to increase investments in energy savings programs that will cut waste, save Pennsylvanians money, and reduce harmful air pollution in our region.

Thank you for your consideration.

Sincerely,



Camille "Bud" George
STATE REPRESENTATIVE

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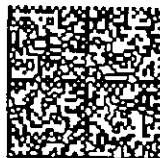


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