

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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August 30, 2012

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17101

Re: Act 129 Energy Efficiency and  
Conservation Programs, Phase Two  
Docket Nos. M-2012-2289411  
M-2008-2069887

Dear Secretary Chiavetta:

Enclosed please find the Office of Consumer Advocate's Answer to the Petition of PPL Electric for Reconsideration in the above-captioned proceeding.

Copies have been served upon all parties of record as shown on the attached Certificate of Service.

Sincerely,

A handwritten signature in cursive script that reads "Jennedy S. Johnson".

Jennedy S. Johnson  
Assistant Consumer Advocate  
PA. Attorney ID# 203098

Enclosures

cc: Office of Administrative Law Judge  
Kriss E. Brown, Law Bureau  
Office of Special Assistants  
160193

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Act 129 Energy Efficiency and	:	Docket Nos. M-2012-2289411
Conservation Programs, Phase Two	:	M-2008-2069887

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ANSWER OF THE OFFICE OF CONSUMER ADVOCATE  
TO THE PETITION OF PPL ELECTRIC FOR RECONSIDERATION

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I. INTRODUCTION

On August 3, 2012, the Pennsylvania Public Utility Commission (Commission) entered its Implementation Order (Order) for Phase II of Act 129 Energy Efficiency and Conservation (EE&C) Programs. In that Order, the Commission determined that the Phase I Energy Efficiency programs were cost effective and set forth a number of guidelines related to the design and implementation of Phase II plans. On August 20, 2012, PPL Electric Utilities Corporation (PPL or Company) filed a Petition for Reconsideration (Petition) of the August 3<sup>rd</sup> Order.

II. ANSWER

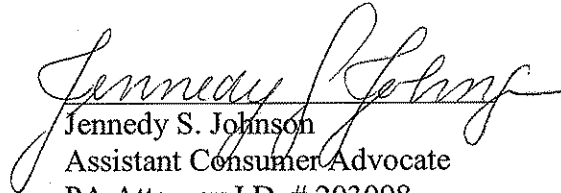
Through its Petition, PPL requests reconsideration of aspects of the Order that it contends limit the ability of EDCs to challenge future determinations made by the Commission. Petition at 1. Specifically, PPL requests that the Commission state that its approval of the 25% adjustment factor and potential acceptance of the Phase II compliance target will not 1) preclude EDCs from challenging future modification to the Technical Reference Manual (TRM) or 2) prohibit an EDC from petitioning the Commission to modify the applicable Phase II consumption reduction targets based on any TRM modifications or “other future changes that are not presently known.” Id. at 1.

The OCA has preliminarily reviewed the Company's Petition and provides the following response. The OCA does not interpret the Commission's Order as prohibiting any challenges made to changes in the TRM. The OCA would not object, however, to a clarification that all EDCs and other parties retain the ability to challenge any future proposed changes to the TRM. The OCA agrees that EDCs (and other parties) must have the ability to challenge TRM changes that are not known or knowable at this time.

As to future changes in consumption reduction goals, the OCA submits that overall reduction targets in Phase II should stay in effect regardless of any changes that may be made to the TRM, as was the case in Phase I. In Phase I, all of the EDCs made changes to their Plans based upon modifications to the TRM, discovered efficiencies (or inefficiencies), or for other reasons. In these instances, the EDCs modified their Plans in accordance with the Commission's procedures without changing their consumption reduction goals. The OCA submits that this treatment should also apply in Phase II and that EDCs should not be permitted to modify their consumption reduction goals as PPL proposes. While changes in the TRM may affect the measures and methods used by the EDCs to meet the Commission-established goals, this does not mean that the goals themselves should be altered. As in Phase I, the OCA submits that the goals themselves should be maintained.

For the foregoing reasons, the OCA agrees with PPL's Petition to the extent that the August 3<sup>rd</sup> Order may be interpreted to prohibit EDCs (and other parties) from challenging proposed changes to the TRM. The OCA does not, however, support the relief requested with respect to modifying future consumption reduction targets.

Respectfully Submitted,



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Dated: August 30, 2012  
160152

CERTIFICATE OF SERVICE

Re: Act 129 Energy Efficiency and Conservation Programs, Phase Two (PPL)  
Docket Nos. M-2012-2289411; M-2008-2069887

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Answer to the Petition of PPL for Reconsideration, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 30th day of August 2012.

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Commonwealth Keystone Bldg.  
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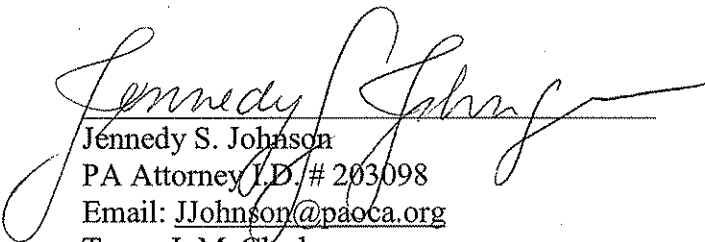
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