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September 4, 2012

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

**Re: Implementation of Act 129 of 2008—Phase II
Energy Efficiency and Conservation Plan Template
Docket No. M-2012-2289411**

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Dear Secretary Chiavetta:

Enclosed for filing please find the Energy Association of Pennsylvania's Comments to the Commission's Secretarial Letter in the above-referenced docket.

Sincerely,

A handwritten signature in black ink that reads "Donna M. J. Clark".

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
Charles Covage (via electronic mail to ccovage@pa.gov)
Kriss Brown, Esq. (via electronic mail to kribrown@pa.gov)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Implementation of Act 129 of 2008 - :
Phase II : Docket No. M-2012-2289411
Energy Efficiency and Conservation :
Plan Template :

COMMENTS OF
THE ENERGY ASSOCIATION OF PENNSYLVANIA
TO THE COMMISSION'S AUGUST 17, 2012
SECRETARIAL LETTER AT M-2012-2289411

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Introduction

On August 17, 2012, the Pennsylvania Public Utility Commission ("PUC" or "Commission") issued a Secretarial Letter in the above-referenced Act 129 proceeding requesting comments on the proposed filing template for the Energy Efficiency and Conservation ("EE&C") Phase II Program. The proposed template is to be used by all EDCs subject to Act 129 in preparing and submitting their Phase II EE&C Plans.

The Energy Association of Pennsylvania ("EAP" or "Association") generally agrees with the Commission's Phase II EE&C Plan template as proposed, but respectfully submits the following comments on behalf of its Pennsylvania electric distribution company ("EDC") members subject to Act 129¹.

¹ EAP member electric distribution members ("EDCs") subject to Act 129 include Duquesne Light Company, Metropolitan Edison Company, PECO Energy Company, Pennsylvania Electric Company, Pennsylvania Power Company, PPL Electric Utilities Corporation, and West Penn Power Company.

Comments

The Phase II EE&C template proposed by the Commission is essentially comparable to the Phase I template with revisions reflecting modifications set forth in the recent Phase II Implementation Order entered August 3, 2012 at Docket No. M-2012-2289411. EAP offers the following comments and further supports comments filed by its EDC members subject to Act 129 to the instant Secretarial Letter.

With respect to the Commission directive that Phase II EE&C Plans should be designed to achieve at least 25% of the targeted reduction in each program year, see Phase II Implementation Order at p. 28, EAP proposes that any information provided to demonstrate design compliance should not be set forth at “Section 3. Program Description”. EAP believes that the intent of this requirement is to design the entire plan to achieve at least 25% of the mandated reduction per program year, not that each program or measure design must meet this standard. Accordingly, EAP suggests that a description of how the overall Plan is designed to achieve 25% of the reduction target each year is better situated in either Section 1 or Section 4 of the Plan.

Additionally, EAP suggests that in describing programs under Section 3, EDCs include ranges of projected rebates in the Phase II EE&C Plans. The inclusion of rebate ranges in the Plan would avoid the need for frequent and costly petitions to modify EE&C Plans to reflect revised rebates. Since it is nearly impossible to predict or control the exact number of rebates for program measures, allowing the inclusion of reasonable ranges for these rebates would provide needed flexibility and curtail unnecessary and costly Plan revisions. Moreover, since the proposed ranges would be included in EDC Phase II EE&C Plan filing, stakeholders would have the opportunity to review and comment on the EDC’s proposed ranges and the Commission would likewise review and approve these ranges if found to be reasonable.

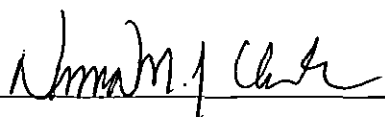
EAP further suggests eliminating the requirements in Section 5.1 inasmuch as the type, format and content of reports required by the Commission have been identified and detailed in the Phase II Implementation Order at p. 77.

Under Section 9, Plan Compliance Information and Other Key Issues, EAP proposes that the reference to “load management measures” should be deleted from Section 9.1.1. The Phase II Implementation Order does not require further demand reduction measures and consequently, identifying “load management measures” is not necessary for compliance during Phase II. Similarly, EAP suggests the reference to 66 Pa. C.S. § 2806.1(d) should be omitted.

Conclusion

EAP appreciates the opportunity to participate in this proceeding and respectfully requests that the Commission consider its comments when finalizing the Phase II EE&C Plan filing template.

Respectfully Submitted:



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