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December 6, 2012

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

**VIA ELECTRONIC FILING**

**RE: Petition of PPL Electric Utilities Corporation for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan; Docket No. M-2012-2334388**

Dear Secretary Chiavetta:

Enclosed please find for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Petition to Intervene of PP&L Industrial Customer Alliance ("PPLICA") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to the proceeding are being served with a copy of this document. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By 

Adeolu A. Bakare

Counsel to PP&L Industrial Customer Alliance

Enclosures

c: Administrative Law Judge Dennis J. Buckley (via E-mail and First Class Mail)  
Certificate of Service

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## CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

### VIA E-MAIL AND FIRST-CLASS MAIL

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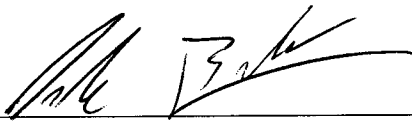
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\_\_\_\_\_  
Adeolu A. Bakare

Counsel to the PP&L Industrial Customer Alliance

Dated this 6<sup>th</sup> day of December, 2012, at Harrisburg, Pennsylvania

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of PPL Electric Utilities Corporation :  
for Approval of its Act 129 Phase II : Docket No. M-2012-2334388  
Energy Efficiency and Conservation Plan :

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**PETITION TO INTERVENE  
OF THE PP&L INDUSTRIAL CUSTOMER ALLIANCE**

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TO THE HONORABLE, THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Sections 5.71 through 5.74 of the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Regulations, 52 Pa. Code §§ 5.71-5.74, the PP&L Industrial Customer Alliance ("PPLICA") hereby submits this Petition to Intervene in the Commission's proceeding regarding PPL Electric Utilities Corporation's ("PPL" or "Company") Petition for Approval of its Phase II Energy Efficiency and Conservation ("EE&C") Plan. In support thereof, PPLICA states as follows:

1. Petitioner is PPLICA, which for purposes of this proceeding includes the companies listed on Appendix A to this Petition. This list in Appendix A will be updated if necessary during this proceeding.

2. The names and address of PPLICA's attorneys are:

Pamela C. Polacek (I.D. No. 78276)  
Adeolu A. Bakare (I.D. No. 208541)  
McNees Wallace & Nurick LLC  
100 Pine Street  
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PPLICA requests that the names and addresses of its attorneys be added to the Commission's and all parties' service lists. All correspondence in this proceeding from the Commission should be directed to the attention of Pamela C. Polacek at the address listed above.

3. Consistent with the requirements of Act 129 of 2008 and the Commission's Implementation Order entered on August 3, 2012, at Docket Nos. M-2008-2069887 and M-2012-2289411 ("Implementation Order"), PPL filed its Phase II EE&C Plan with the Commission on November 15, 2012. PPL's Phase II EE&C Plan outlines how the Company plans to meet a consumption reduction requirement of 2.1% by May 31, 2016.

4. The Company's plan proposes to address the requirements of Act 129 through the implementation of thirteen (13) programs for residential (including low-income), small commercial and industrial ("C&I"), governmental/institutional/non-profit customers, and large C&I customers. PPL has targeted two programs for its largest industrial customers, the Efficient Equipment Incentive Program and the Commercial and Industrial Custom Incentive Program.

5. PPL proposes to collect approximately \$187 million for its Phase II EE&C Plan by levelizing costs over the 36-month life of the Plan. Phase II EE&C Plan at 21. As proposed by the Company, this cost recovery mechanism would be non-bypassable and applied to the distribution charges for each customer class. Id. Further, if PPL's Phase II EE&C Plan were approved as filed, costs would be recovered from residential and small C&I customers on a levelized basis per kWh, while large C&I customers' costs are proposed to be recovered on a levelized dollar per kW basis. The total proposed charges for the large commercial and industrial group (including common costs) are \$38,184,198, or approximately 20% of the plan's total cost. *See* EE&C Plan at 176. For purposes of the EE&C Plan, large C&I customer

classifications include customers on Rate Schedules LP-4, LP-5, LP-6, IS-P, IS-T, LPEP, ISA, PR-1 and PR-2.

6. PPLICA is an ad hoc association of energy-intensive commercial and industrial customers receiving electric service in PPL's service territory. PPLICA members purchase service from PPL primarily under Rate Schedules LP-4, LP-5, LP-6, IS-P, and IS-T, as well as available riders.<sup>1</sup> PPLICA members collectively consume approximately 1.17 billion kWh of electricity annually in manufacturing and other operational processes, and electricity costs comprise a significant portion of their production costs.

7. PPLICA is confident that the Commission will consider all issues attendant to whether the Company's Phase II EE&C Plan and the proposed programs are in accordance with Act 129 and all other applicable statutes and regulations, as well as ensuring the proposed Phase II EE&C Plan is in the interest of Pennsylvania's ratepayers. In addition, PPLICA is concerned about proposed program costs, the allocation of those costs, and the Company's proposed cost recovery mechanism. PPLICA is particularly concerned about the relative increase in total portfolio spending allocated to Large C&I customers, compared with the proportional class allocations for PPL's Phase I EE&C Plan. PPLICA also seeks to evaluate the reasonableness of decreases to maximum rebates under several Phase II EE&C program measures available to Large C&I customers.

8. PPLICA members may suffer adverse rate increases as a result of the Commission's determination in this proceeding. Further, PPLICA members may be adversely affected by certain programs proposed by the Company for large customers. Accordingly, as some of PPL's largest customers, PPLICA has an interest in this proceeding that is not

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<sup>1</sup> Some PPLICA members also have accounts on Rate Schedules GS-1 and GS-3.

represented by any other party of record; consequently, PPLICA satisfies the standards for intervention under Section 5.72 of the Commission's regulations. *See* 52 Pa. Code § 5.72.

**WHEREFORE**, for the reasons stated above, the PP&L Industrial Customer Alliance respectfully requests that the Commission grant this Petition to Intervene and provide the PP&L Industrial Customer Alliance with full party status in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By   
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Counsel to the PP&L Industrial Customer Alliance

Dated: December 6, 2012



## **APPENDIX A**

### **MEMBERS OF PP&L INDUSTRIAL CUSTOMER ALLIANCE**

Air Products and Chemicals, Inc.  
Armstrong World Industries, Inc.  
General Dynamics-OTS Scranton  
Hercules Cement Company  
SAPA Extrusions, Inc.  
The Hershey Company  
TIMET North America  
Wegmans Food Markets, Inc.