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December 7, 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 Duquesne Light Company for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan; Docket No. M-2012-2334399

Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Petition to Intervene of the Duquesne Industrial Intervenors ("DII") in the above-referenced proceeding.

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

Sincerely,

McNEES WALLACE & NURICK LLC

By /E

Teresa K. Schmittberger

Counsel to the Duquesne Industrial Intervenors

TKS/sar

**Enclosures** 

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

Certificate of Service

#### 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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Teresa K. Schmittberger

Counsel to the Duquesne Industrial Intervenors

Dated this 7<sup>th</sup> day of December, 2012, at Harrisburg, Pennsylvania

## BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for Approval of its Act 129 Phase II Energy Efficiency and Conservation Plan

Docket No. M-2012-2334399

# PETITION TO INTERVENE OF THE DUQUESNE INDUSTRIAL INTERVENORS

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 Duquesne Industrial Intervenors ("DII") hereby submits this Petition to Intervene in the Commission's proceeding regarding Duquesne Light Company's ("DII" or "Company") Petition for Approval of its Phase II Energy Efficiency and Conservation ("EE&C") Plan. In support thereof, DII states as follows:

- 1. Petitioner is DII, 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 DII's attorneys are:

Pamela C. Polacek (I.D. No. 78276)
Teresa Schmittberger (I.D. No. 311082)
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108
Phone: (717) 232-8000

Fax: (717) 237-5300 ppolacek@mwn.com tschmittberger@mwn.com DII 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 Teresa K. Schmittberger 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, Duquesne filed its Phase II EE&C Plan with the Commission on November 15, 2012. Duquesne's Phase II EE&C Plan outlines how the Company plans to meet its assigned consumption reduction requirement by May 31, 2016.
- 4. The Company's plan proposes to address the requirements of Act 129 with respect to Large Commercial and Industrial ("C&I") customers through the implementation of nine energy efficiency programs.
- Duquesne proposes to collect approximately \$59 million for its Phase II EE&C Plan by levelizing costs over the 36-month life of the Plan. As proposed by the Company, this cost recovery mechanism would be non-bypassable and applied to the distribution charges for each customer class. Further, if Duquesne'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 combined levelized dollar per kW basis and fixed customer surcharge. The total proposed charges for Large C&I customers is \$21,250,879, or approximately 36% of the plan's total cost.
- 6. DII is an <u>ad hoc</u> association of energy-intensive Large C&I customers receiving electric service in Duquesne's service territory. DII members purchase service from Duquesne primarily under Rate Schedules HVPS and L, as well as available riders.

- 7. DII 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 statutes and regulations, as well as ensuring the proposed Phase II EE&C Plan is in the interest of Pennsylvania's ratepayers. In addition, DII is concerned about proposed program costs, the allocation of those costs, and the Company's proposed cost recovery mechanism. DII is particularly concerned about the relative increase in costs allocated to Large C&I customers, particularly considering the removal of the demand reduction component from plans. DII also seeks to evaluate the reasonableness of the number of Phase II EE&C program measures available to Large C&I customers.
- 8. DII members may suffer adverse rate increases as a result of the Commission's determination in this proceeding. Further, DII members may be adversely affected by certain programs proposed by the Company for large customers. Accordingly, as some of Duquesne's largest customers, DII has an interest in this proceeding that is not represented by any other party of record; consequently, DII 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 Duquesne Industrial Intervenors respectfully requests that the Commission grant this Petition to Intervene and provide Duquesne Industrial Intervenors with full party status in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

Pamela C. Polacek (I.D. No. 78276)

Teresa K. Schmittberger (I.D. No. 311082)

100 Pine Street

P.O. Box 1166 Harrisburg, PA 17108

Phone: (717) 232-8000 Fax: (717) 237-5300

Counsel to the Duquesne Industrial Intervenors

Dated: December 7, 2012

### APPENDIX A

# MEMBERS OF DUQUESNE INDUSTRIAL INTERVENORS

United States Steel Corporation

### **AFFIDAVIT**

COMMONWEALTH OF PENNSYLVANIA	)	
	)	SS
COUNTY OF DAUPHIN	)	

Teresa K. Schmittberger, being duly sworn according to law, deposes and says that she is counsel to the Duquesne Industrial Intevenors ("DII"), that in this capacity she is authorized to and does make this affidavit for them, and that the facts set forth in the foregoing Petition to Intervene are true and correct to the best of her knowledge, information, and belief.

Teresa K. Schmittberger

SWORN TO and subscribed before

me this \_\_\_\_\_ day of December, 2012.

Notary Public

(SEAL)

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal Lisa R. Barker, Notary Public City of Harrisburg, Dauphin County My Commission Expires Nov. 5, 2016